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AN EMPIRICAL STUDY OF YOUNG CONSUMER DECISION MAKING IN ERA OF SOCIAL COMMERCE

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ABSTRACT
The fast enlargement of social commerce has fundamentally reorganized the decision-making processes of young consumers by blending social interaction, content creation, and online purchasing into a unified digital environment. This study shows how social commerce influences young consumer decision-making, with particular highlighting on social media platforms, peer networks, influencers, user-generated content, and interactive marketing tools. The research aims to identify the key psychological, social, and technological factors such as trust, social proof, perceived authenticity, personalization, and engagement that shape purchase intentions and brand preferences among youth. Foresting a mixed-method research design, the study will collect primary data through structured questionnaires and semi-structured interviews from consumers aged 18–50. Secondary data from academic literature, industry reports, and platform analytics will support the analysis. Quantitative techniques including factor analysis and multiple regression will be applied to determine the relative influence of various social commerce elements on consumer decisions, while qualitative insights will deepen understanding of attitudes and motivations. The study will also compare decision-making behaviors across major social media platforms, and emerging in-app shopping features. The research will offer an actionable insight for marketers in developing effective youth-focused social commerce strategies, influencer collaborations, and engagement-driven campaigns. This research contributes to contemporary marketing literature by clarifying evolving consumer behavior in socially driven digital marketplaces.

KEYWORDS: *Consumer Decision Making, Psychological, Social, and Technological Factors, and Social Commerce.*

INTRODUCTION

The quick progress of digital technologies has changed how businesses operate and how consumers interact with products and services. In the last ten years, the widespread use of the internet, smartphones, and social media platforms has changed traditional commerce. A key development that has come from this change is social commerce, which combines social networking functions with online shopping in a single digital space. This merging has created new opportunities for businesses and has also changed how consumers make decisions.

Social commerce involves using social media platforms like Instagram, YouTube, Facebook, and X, which was previously known as Twitter, to enable buying and selling activities. These platforms have moved beyond their initial purposes of communication and entertainment to become important marketplaces where consumers can find products, gather information, interact with brands, and make purchases easily. The engaging and interactive nature of these platforms has made the shopping experience more personalised and influenced by social factors compared to traditional e-commerce.

Young consumers, especially those from Generation Z and Millennials, play a key role in the growth of social commerce. These groups are very connected, skilled with technology, and actively involved in digital spaces. They spend a lot of time on social media platforms, where they see various types of content, such as advertisements, influencer promotions, product reviews, and recommendations from peers. This constant exposure has a strong effect on their attitudes, preferences, and purchasing decisions.

Unlike traditional consumers, young individuals do not just passively receive marketing messages. They actively engage in creating and sharing content, acting as both consumers and contributors in the digital environment. Their purchasing decisions are influenced by social interactions, engagement online, and immediate feedback from peers and online communities. This change from individual decision-making to decisions influenced by social factors highlights the need to understand consumer behaviour in social commerce.

In the past, consumer decision-making was thought to follow a straight line with stages like recognising a need, searching for information, evaluating alternatives, making a purchase decision, and reviewing the purchase afterwards. However, in social commerce, this process has become more complex, dynamic, and not straightforward. Consumers are often exposed to many sources of information at once, affecting different stages of their decision-making at the same time, which can lead to quicker and more impulsive purchasing decisions.

One major factor in this change is the rise of user-generated content, often referred to as UGC. Modern consumers depend heavily on reviews, ratings, comments, and testimonials from other users before making decisions to buy. This kind of content is seen as more genuine and trustworthy than traditional advertising because it shows real experiences. This idea, known as social proof, is important in reducing uncertainty and influencing consumer choices.

Alongside user-generated content, influencers and content creators have become powerful influences on consumer behaviour in social commerce. Influencers act as opinion leaders, promoting products through relatable and engaging content. Their ability to build trust and maintain strong connections with followers makes them effective in influencing buying intentions. Young consumers, in particular, are more likely to trust recommendations from influencers because they see them as authentic and credible.

Technological advancements also enhance the effectiveness of social commerce. Features like personalised recommendations, content driven by algorithms, artificial intelligence, and data analytics allow platforms to provide customised experiences for users. These technologies make it easier to find relevant products quickly, thus simplifying the decision-making process. Additionally, features like live streaming, reels, stories, and in-app purchasing offer real-time interaction and convenience, making the shopping experience more engaging and efficient.

Convenience and accessibility are also important factors driving the adoption of social commerce. Consumers can look for and buy products at any time and from anywhere, without the limitations of physical stores. The integration of shopping functions within social media platforms reduces the need to switch between different applications, creating a smooth and user-friendly experience. This ease of use encourages frequent browsing and increases the chances of impulsive purchases among young consumers.

Industry and Company Profile

The social commerce sector has become one of the fastest-growing parts of the digital economy, driven by the combination of social media platforms and e-commerce functions. This change shows a shift from traditional buying and selling to a more interactive model where consumers take part in engaging with content, brands, and other users. This change has been speeded up by more people using the internet, the widespread use of smartphones, and the fast growth of social media worldwide.

Historically, commerce has changed from physical marketplaces to structured retail systems and finally to electronic commerce with the rise of the internet. The arrival of Web 2.0 technologies was an important point, allowing users to create and share content online. This led to the growth of social media platforms that gradually added commercial features, creating social commerce. Now, social commerce allows consumers to find, assess, and buy products directly within social media spaces.

The industry shows considerable growth potential and ongoing innovation. Influencer marketing, user-generated content, real-time engagement, and personalised recommendations have been key factors in its growth. Young consumers, especially from Generation Z and Millennials, are the main drivers of this growth due to their high engagement with digital platforms and preference for interactive shopping experiences. The COVID-19 pandemic further pushed the adoption of social commerce as consumers turned more to online platforms for their buying needs.

From a competitive view, the social commerce industry is very dynamic and has strong competition among platforms, brands, and influencers. The threat from new entrants is quite high because of low entry barriers and the availability of digital tools. However, keeping a competitive edge requires solid brand positioning, steady engagement, and building trust. Consumers have considerable bargaining power because they have access to many choices and information sources, allowing them to make informed decisions.

Among the main platforms in social commerce, Instagram is in a leading position, due to its visually appealing interface and high user engagement. It offers features like reels, stories, live streaming, and shoppable posts that improve product visibility and consumer interaction. Instagram's algorithm-driven personalisation ensures users see content that matches their interests, which increases the chances of making purchase decisions. Influencers on Instagram play a significant role in promoting brands by creating relatable and authentic content.\

YouTube is another important platform that impacts consumer decision-making through its detailed and informative video content. It offers product reviews, tutorials, unboxing videos, and demonstrations that help with effective product evaluation. The platform's recommendation system improves content discoverability, while its interactive features like comments and live streaming encourage engagement and trust. YouTube's ability to provide in-depth information makes it particularly useful during the evaluation stage of the consumer decision-making process.

X, previously known as Twitter, acts as a real-time information-sharing platform and plays a unique role in social commerce. It allows users to stay updated on trends, brand announcements, and customer feedback. The use of hashtags and trending topics helps brands to quickly reach a wider audience. Although it is not as visually focused as other platforms, it is effective for building brand awareness and influencing public opinion.

Facebook remains one of the largest social media platforms with a varied user base and offers features like business pages, a marketplace, and targeted advertising. It allows businesses to connect with specific audience segments based on demographics and interests, improving marketing effectiveness. Community groups and interactions among peers on Facebook have a significant impact on consumer opinions and buying decisions.

Despite its rapid growth, the social commerce industry faces several challenges such as issues related to data privacy, content authenticity, and increasing competition. Consumers are becoming more careful about sharing personal information and are asking for more transparency from brands. Moreover, too much content and advertisement might negatively affect user experience and trust levels.

To sum up, the social commerce industry represents a changing and developing landscape that keeps altering consumer behaviour. The mix of technology, social interaction, and commerce has created new chances for businesses to connect with consumers in meaningful ways. A thorough understanding of the industry structure and the roles of major platforms is vital for analysing the decision-making behaviours of young consumers in the digital era.

OBJECTIVES OF THE STUDY

1. To examine how social commerce platforms, impact the decision-making behaviour of young consumers; and
2. To measure the level of purchase intention among young consumers who use social media platforms for shopping.

REVIEW OF LITERATURE

Jian Mou et al., (2021) conducted a high-level research study that synthesizes data from various previous studies to identify patterns in social media shopping. A meta-analysis combines results from many independent papers to provide stronger conclusions than any single study could offer. By aggregating diverse data sets, researchers can identify consistent drivers of consumer actions, such as trust, social influence, or ease of use, across different cultures and platforms. This study filters out individual experiment noise to reveal core psychological and social triggers defining the global social commerce landscape, providing a broad overview of current consumer trends.

Mohd Azhar et al., (2023) conducted a study which shows that perceived usefulness and trust are significant predictors of buying intentions among Generation Z in social commerce. It is important for managers to focus on the quality of websites and how information is presented to improve utility while also creating online communities for sharing knowledge. Companies can increase consumer confidence and gain a competitive edge by putting in place policies to reduce risks and by fostering interactive forums that make the consumer decision-making process more straightforward through enhanced platform reliability.

Manali Bhanushali & Dr. Deepa Nirav Vyas (2025) studied Instagram's role in youth social commerce, noting a gap in satisfaction where there are moderate trust and scepticism about product transparency. High daily engagement exists, but users seem to prefer user-generated content and competitive pricing rather than relying on influencer endorsements. The findings indicate that demographic factors are not as impactful as platform reliability and the quality of information. This suggests that success in social commerce relies on improving product descriptions, utilizing ratings, and enhancing personalization. To improve conversion rates, platforms should evolve from simple engagement tools into credible ecosystems that offer high transparency and solid customer support.

Ghazlan Atqiya Firmansya et al., (2025) explored the relationship between Generation Z's intent to purchase electronic goods and the product reviews they encounter or create. The research focuses on how purchase intention, which is the internal drive to buy, is shaped by or contributes to the feedback loop of digital reviews. For Generation Z, who are digital natives, electronic products represent significant purchases. The study likely investigates whether a strong intent to buy makes them more critical of reviews or how the quality and sentiment of those reviews affect their final decision. This highlights the intersection of consumer psychology and social proof in the tech industry, particularly for a demographic that values authenticity and peer validation over traditional advertising.

RESEARCH METHODOLOGY

The research methodology forms the base of the study and it offers a structured way for gathering, examining, and understanding data that pertains to how young consumers make decisions in the realm of social commerce. In this study, a quantitative research method is used to explore the connections between different elements like engagement on social media, trust, social proof, and the process of consumer decision-making.

RESEARCH DESIGN

- Descriptive Analysis: This part looks at the traits and actions of young consumers.
- Analytical Approach: This includes looking at the connections between different variables to evaluate the research objectives and is appropriate for spotting patterns, trends, and links within the data.

Target Population:
The target population includes young consumers who are mainly from Generation Z and Millennials. These consumers are users of social media platforms such as Instagram, YouTube, Facebook, and X which is also known as Twitter. These individuals are considered suitable respondents because they engage a lot in digital environments and have frequent interactions with social commerce platforms.

Sample Size
A total of 135 people were chosen for the study.

Sampling Technique
Convenience sampling was used which allowed for easy access to respondents who were available and willing to take part. This method has limitations concerning generalisability but it is suitable for exploratory research and empirical research when there is a limited timeframe.

DATA SAMPLE
Primary Data: A structured questionnaire was used that was designed to meet the objectives of the study and included both closed-ended questions and Likert scale questions which were intended to measure the perceptions, attitudes, and behaviours of respondents. The Likert scale went from strongly disagree to strongly agree which helped in measuring how intense the opinions were.

Secondary Data: Research was collected from various sources including academic journals, research papers, industry reports, and reliable online sources which helped in building a theoretical foundation and in understanding previous studies that were related to social commerce and consumer behaviour.

DATA ANALYSIS
Correlation analysis was carried out to find out the relationships that exist between independent variables and both purchase intention and trust.

Scope of the Research Study
The study focuses on young consumers, and this includes Generation Z and Millennials, who use social media platforms frequently. It looks into how social commerce affects the way these consumers make decisions about purchases. The research covers significant social media platforms like Instagram, YouTube, Facebook, and X, which is also known as Twitter. Important factors that influence purchase decisions are examined, and these factors include social media engagement, trust, social proof, and the quality of content.

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Limitations

1. The study is carried out with a sample size that is limited to 135 respondents, and this may not be enough to represent the wider population of young consumers.
2. The research uses convenience sampling, and this could lead to sampling bias which might affect how generalisable the findings are.
3. The study focuses only on young consumers who are from Generation Z and Millennials, which limits how the results can be applied to other age groups.
4. The data that is collected is primary and comes from self-reported sources, and this may bring in personal bias or inaccuracies in what participants say.

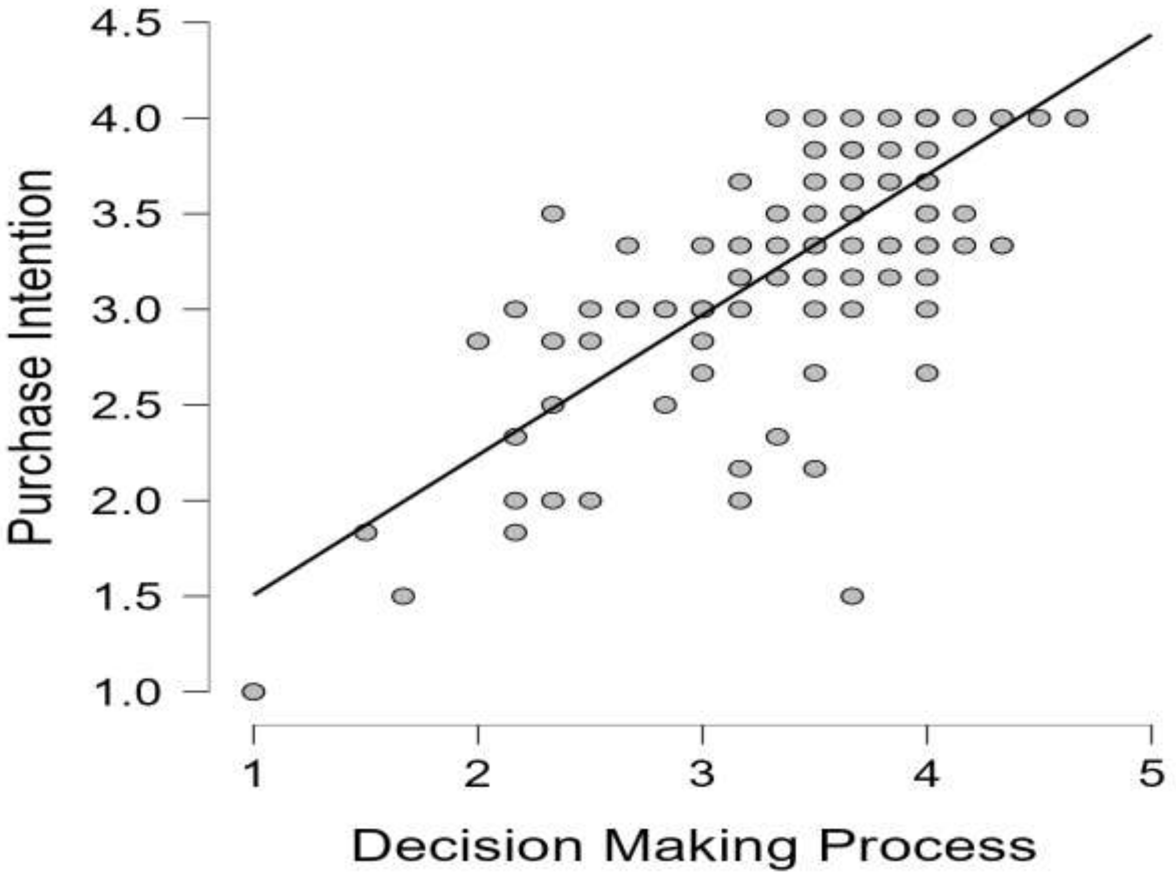
DATA ANALYSIS

Correlation Analysis – Decision Making Process

Table of Correlation between Decisions Making Process & Purchase Intention

Variables	n	Pearson's r	p
Decision Making Process & Purchase Intention	135	0.779	<0.001

Source: *Calculated*



Scatter Plot showing relationship between Decision Making Process

Interpretation: the relationship between the decision-making process and purchase intention among the respondents. The total number of respondents for this analysis is 135. The Pearson's correlation coefficient is 0.779, which indicates a very strong positive relationship between the decision-making process and purchase intention. This means that as respondents increasingly rely on social media to evaluate alternatives, compare products, and reduce uncertainty, their intention to purchase products also increases significantly.

The p-value is less than 0.001, which is much lower than the standard significance level of 0.05. This indicates that the relationship between the decision-making process and purchase intention is statistically significant, and the results are highly reliable and not due to random chance.

This finding suggests that respondents who actively use social media platforms to simplify their decision-making process, including comparing products, reading reviews, and gaining confidence before purchase, are more likely to develop a stronger intention to buy. Social media plays a crucial role in guiding consumers through the evaluation stage and helps them make quicker and more confident decisions.
Overall, the analysis highlights that the decision-making process has a very strong and significant impact on purchase intention, making it one of the most influential factors in consumer buying behaviour. The high correlation value further emphasizes that effective decision support through social media can directly enhance purchase intentions.

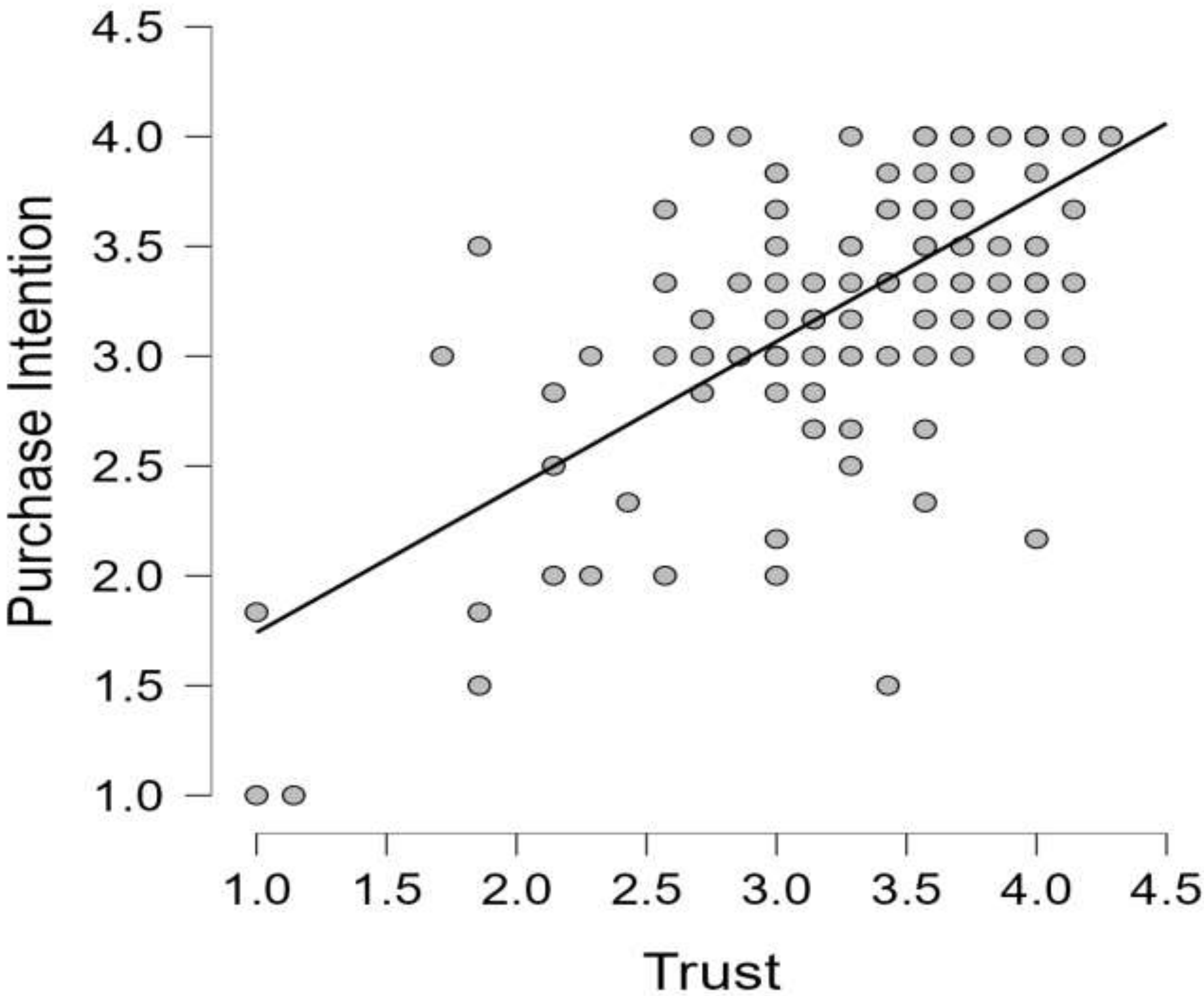
The table presents the correlation between the decision-making process and purchase intention, indicating that improved and informed decision-making is strongly associated with higher purchase intention among respondents.

Correlation Analysis– Social Proof & Trust

Table of Correlation between Social Proof & Trust and Purchase Intention

Variables	n	Pearson's r	p
Social Proof & Trust and Purchase Intention	135	0.679	<0.001

Source: *Calculated*



Scatter Plot showing relationship between Trust & Purchase Intention

FINDING

- The study shows a strong positive relationship with a correlation coefficient of 0.779 between the process of decision-making and the intention to purchase, which means that improved evaluation through social media leads to a significant increase in the intention to buy.

- Social media platforms are important in making consumer decision-making easier, particularly through the means of comparing products, reading reviews, and getting recommendations.
- There is a notable positive correlation with a coefficient of 0.679 between social proof, trust, and the intention to purchase, indicating that elements that build trust have a strong effect on buying behaviour.
- User-generated content such as reviews, ratings, and testimonials is seen as more trustworthy than traditional forms of advertising and has a direct effect on consumer confidence.
- Influencer marketing has an effect on the intention to purchase, yet consumers prefer authenticity and real experiences rather than promotional content.
- Young consumers, specifically those from Generation Z and Millennials, show a high level of engagement with social commerce platforms, which makes them significant contributors to trends in digital purchasing.
- Personalisation and recommendations driven by algorithms make it easier to discover products and encourage impulsive purchasing behaviour.
- Social commerce leads to a decision-making process that is non-linear, where various factors impact consumers at the same time.
- The convenience and accessibility of purchasing within apps lead to an increase in how often consumers browse and buy.
- The statistical significance indicated by p being less than 0.001 confirms that all major relationships identified in the study are very reliable and not just by chance.

SUGGESTIONS

- Companies ought to concentrate on the enhancement of trust and transparency by supplying accurate information regarding products and providing genuine reviews from customers.
- Brands need to make use of content generated by users in order to establish a sense of authenticity and credibility among younger consumers.
- Marketers are encouraged to work together with influencers who have a reputation for authenticity, instead of depending only on content that is promotional in nature.
- Social media platforms ought to make improvements to the quality of content and the algorithms used for personalisation so that they can offer product suggestions that are more relevant.
- Businesses are advised to invest in interactive features, which include live streaming, reels, and real-time engagement, to foster increased involvement from consumers.
- The provision of secure payment systems along with the protection of privacy can contribute to strengthening the trust that consumers have.
- Companies should aim to design campaigns that are driven by engagement instead of relying on traditional forms of advertising.
- The enhancement of customer support and the mechanisms for feedback can lead to improvements in satisfaction and loyalty among consumers.
- Brands ought to make use of tools in data analytics to gain a better understanding of consumer preferences and behaviours.
- Attention should be directed towards competitive pricing strategies in addition to offerings that are based on value.

CONCLUSION

The study comes to the conclusion that social commerce has made a significant transformation in how consumers make decisions, particularly among younger consumers. The merging of social interaction, technology, and commerce has led to a dynamic and influential digital marketplace. The findings show that elements such as decision-making support, social proof, and trust are important in shaping the intention to purchase.

The strong relationships found in the study confirm that social media platforms serve not only as tools for communication but also as powerful commercial ecosystems that affect consumer behaviour. As consumers increasingly depend on digital content, peer reviews, and tailored experiences, businesses have to change their strategies in order to stay competitive. In summary, the research points out that using social commerce elements effectively can greatly improve consumer engagement and influence purchase decisions, making it a necessary part of modern marketing strategies.

Future research

- It can involve a sample size that is larger and more diverse in order to enhance generalizability.
- Comparative studies can take place between various age groups that extend beyond just Gen Z and Millennials.
- Research can examine the effects of new technologies like artificial intelligence, augmented reality, and experiences related to virtual shopping.
- A longitudinal study can be carried out to monitor how consumer behaviour changes over a period of time.
- Future studies can focus on analysing behaviour that is specific to different platforms such as Instagram, YouTube, and Facebook.

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