The impact of online social networks on consumers’ purchasing decision
--The study of food retailers

Master’s thesis within Business Administration

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Abstract
The growth of online social networks around the world has created a new place of interaction and communication among people. Individuals can share their knowledge, opinions, and experiences with one other due to the online social networks provided features and may have an impact on people’s behavior in terms of communication and purchasing.

The purpose of this study is to examine the impact of online social networks (Facebook) on consumers’ purchasing decision process in food retailer shops. More precisely, the authors are trying to find which steps do online social networks influence consumers’ purchasing decision when it comes to food retailers; and why are these steps influenced by online social networks.

A theoretical framework based on previous study showed there is a gap regarding online social networks on consumers’ purchasing decision behavior in the study of food retailers. In order to have a further understanding on consumers’ purchasing behavior regarding food retailers on online social networks, face-to-face and telephone in-depth interviews with eleven interviewees are conducted during the study. The empirical data are presented under the research questions, and sorted by the type of information. The author analyze empirical finding by linking the finding with theories from theoretical framework. The authors found out that online social networks impact every step of consumers’ purchasing decision process to different extent regarding food retailer shops. The reasons are mainly because Facebook’s features bring convenience to people, consumers spend more time on it, and Facebook’s features allow consumers to interact with supermarkets and other consumers and see comments from other consumers on supermarkets’ Facebook pages.
Acknowledgements

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1 Introduction

1.1 Background

Human beings are social and nowadays, consumers are participating in a variety of activities, from consuming content to sharing knowledge, experiences, opinions, and involved in discussion with other consumers online (Heinonen, 2011). Today, with the growth of Internet, online social networks have become important communication channels and also virtual communities have emerged. Online world has become a new kind of social communication, connecting people to a variety of online communities has been growing during the past decade. Groups that may never meet in the physical world but nevertheless they are able to affect behavior, including purchasing decisions (Evans, Jamal & Foxall, 2009). Internet is a social place where created a new forum for consumers. Virtual communities, blog, and online social networking sites provide a platform to influence consumers’ purchase decisions (OTX research, 2008).

The market share of different online social networking websites has been grown for instance Facebook grew by 0.22 percent from November 2011 to October 2011. YouTube has the strongest growth among online social networking sites with a 0.67 percent from November 2011 to October 2011. These measurements showed the membership of online social networks websites have been grown (Hitwise, 2011).

Everyday people buy things that are relevant to their needs. At the same time, they are making purchasing decisions. Specific consumer behavior is defined as “the activities people undertake when obtaining, consuming, and disposing of products and services” (Blackwell, Miniard & Engel, 2001, p6). Consumer behaviors are influenced by personal and environmental factors (Blyth, 2008). A central part of consumer behavior is, consumers’ purchasing decision that included several steps. Generally, social networks such as groups or individuals who own the power over consumers can affect consumers’ purchase decision (Solomon, Bamossy, Askegaard & Hogg, 2010).

The online social networks provided facilities for consumers to interact with one another, accessing to information, comments, reviews, and rates that can help them for purchasing decisions in different ways (Heinrichs, Lim & Lim, 2011).
1.2 Problem discussion

The growth of online social networks provided many different additional online activities for consumers such as blogging, chatting, gaming, and messaging. Facebook.com is one of the most popular social networking sites. Individuals who are members of Facebook can construct dynamic profiles about themselves and sharing information with other individuals within the group (Boyd & Ellison, 2008). Social interaction with others created new behaviors and also affected on consumer’s daily purchase decisions (Rogers, 2003). Diverse ranges of people have influence on consumers such as family members, friends, co-workers, and group or individual that consumers would love to compare themselves with them (Schiffman, Kamk & Hansen, 2008). These ranges of people could be involved in consumer’s online social networks, and influence from these individuals can be online as well. Consumers make many product decisions every day and they would like to receive advice from others (Evans, et al, 2009). Online social networks are good platform for consumers to gather information and advices.

Cheung, Zhu, Kwong, Chan & Moezl (2003) concluded that there are five domain factors identified to explain online consumer behavior, and they suggested these five factors can be further explored. Two of the factors are: (1) Consumer characteristics, including behavioral characteristics (looking for product information, access location, duration and frequency of usage) and experience. (2) Environmental influences, like social influence, peer influence and mass media, which play important roles in affecting consumers’ purchasing decisions.

The emergence of online social networks influences people in various ways. The authors also believe that food is strongly related with people’s life, and therefore it is important to study the potential impact online social networks may have in this field. However there is a gap in the literature regarding this specific topic according to uppsatser.se. Therefore the problem identified is the lack of information regarding the connection between online social networks and consumer’s purchasing decision toward food retailer.

1.3 Purpose

The purpose of the thesis is to examine the impact of online social networks on consumers’ purchasing decision process in the food retailers shops.
1.4 **Research questions**

1) Which steps of consumers’ purchasing decision process do online social networks influence?

2) What are the reasons behind online social networks’ influence on consumers’ purchasing decision process?

1.5 **Delimitation**

The study sets the scale of online social networks on Facebook, instead of other online social networks like YouTube or twitter.

The qualitative research focuses on the active users of Facebook, which means they spend more time on Facebook than the average. And the data gathered has no geography limitation. The supermarkets mentioned in qualitative research are not limited to specific country. And only the supermarkets that created their Facebook page is considered in this study.

Age, gender, culture background and occupation are not considered in this study.

1.6 **Dispositions**

This thesis consists of the following chapters:

**Chapter 1. Introduction:** This chapter introduces the background of online social networks and consumers’ purchasing decision behavior. The chapter continues with specifying the problem discussion and defining the purpose of the study.

**Chapter 2. Theoretical framework:** This chapter presents the significant previous studies on this topic, including online social networks, the influence of online social networks, consumers’ purchase decision behavior, and the reasons behind online social networks’ influences on consumers’ purchase decision.

**Chapter 3. Methodology:** This chapter gives the reader a general overview on research philosophy, approach, and strategy as well as clear explanation of chosen methodology.

**Chapter 4. Empirical findings:** This chapter presents a description of conducted interviews with eleven consumers of supermarkets.
Chapter 5. **Analysis:** In this chapter authors relate the empirical data with theoretical framework in order to fulfill the purpose and provide clear answer for research questions of this thesis.

Chapter 6. **Conclusions:** Authors provide the overall and final conclusions of this thesis.

Chapter 7. **Discussion and implication:** in this chapter opportunity for further studies are discussed.
2 Theoretical framework

2.1 Online social networks

Online social networks (Facebook, MySpace, Twitter, YouTube, virtual communities, etc.), where individuals as members, construct public profiles to share their knowledge and their experiences, to post information about themselves and have contact with others who exchange and share similar interests (Cheung & Lee, 2010). Online social networks change the way we think about marketing, companies and consumers have direct interaction and relationship with one another (Solomon, et al, 2010). “Much of human behavior is not best characterized by an individual acting in isolation” (Bagozzi, 2007, p247). Nowadays the way of interaction between companies and consumers has been changed and power changed from company to consumers due to online social networking (Hagel & Armstrong, 1997).

Online social networks have become an efficient major part of human communication and interaction life and influence in many different ways on people’s behavior and communication (Cheung & Lee, 2010).

The growth of online participation and discussion has made consumers to impact on the products and brands (Riegner, 2007). The changes in behavior and action are created by social influences. There are three modes of social influences that can have influence on consumers’ purchase decision, 1) compliance (subjective norms) occurs once individuals recognize that a social actor who owns the power wants them to perform a certain behavior, 2) internalization (group norm) is about once individuals want to adopt themselves to the idealized goals that shared with others, and 3) identification (social identity) refers to once individuals accept the influence because they want to establish the relationship with another person or a group. The influence of these three social influence modes can have more or less power due to the circumstances (Kelman, 1958).

Internet today is not just an information access tool; it also has become an interaction tool, which is used by individuals to share and exchange contents, opinions, and information. Consumers’ behavior can change once consumers interact with one another (Heinrichs, et al, 2011). Major roles of online social networks are, distributing information, opinions and influences among their members (Kempe, Kleinberg, & Tardos, 2003). Online social networks have been recognized as an important effective tool and
source of information for products and services and cues for behavior and action for individuals (Subramani & Rajagopalan, 2003). One of the important communication channels is social networking sites, once have emerged a power shift between consumers and traditional way of producers of messages and information (Denegri-Knott, 2006). The social networking sites are now providing the facilities to interact with others and join virtual communities based on common interest and opinions (Heinrichs, et al, 2011). There are different forms of virtual communities that affect consumers’ purchase decisions in different ways: (Solomon, et al, 2010)

- Multi-user dungeons (MUD): where people have social relationship with each other in terms of game playing.
- Rooms, rings, and lists: rooms (chat rooms), rings (organizations that is related to the home pages), and lists (group of individuals that sharing information via email).
- Board: online communities, which can be related to music, movies, cars, even restaurants that allow individuals post messages.
- Blogs: weblogs or blogs are personal journals and are form of online communities that growing dramatically fast. Users of common interest can follow Blogs.

The most users of virtual communities are seeking for friends or exchanging information, opinions, and experiences on their common interests (Ridings & Gefen, 2004). There are several benefits of virtual communities that can be mentioned, the majority of individuals of specific communities are interacting that can be effective to reach a diverse group of people. The levels of interaction can be chosen by participants, they can gather and give information or express their opinions. Virtual communities can help consumers to find information about specific company, product, and service.

Online social networks have become more credible and relevant information source than direct information from companies, therefore consumers seek products and companies on online social networks (Bernoff & Li, 2008). Since consumers enjoy the interaction and communication with each other and like to receive advice either positive or negative about different products or services, virtual communities have an impact on consumers’ purchasing decision (Evans, et al, 2009).

The research has been shown (Riegner, 2007) online users spent 27 percent of their time on communication activities (social networking sites, blogs, email) and also 27 percent
for leisure and entertainment which is more than the time they spent to gather and read news and personal activities (figure 1).

### Allocation of total time spent online

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>27%</td>
</tr>
<tr>
<td>Leisure and entertainment</td>
<td>27%</td>
</tr>
<tr>
<td>News or information</td>
<td>19%</td>
</tr>
<tr>
<td>Personal productivity</td>
<td>15%</td>
</tr>
<tr>
<td>Shopping</td>
<td>12%</td>
</tr>
</tbody>
</table>

Figure 1 Allocation of total time spent online, (Riegner, 2007)

### 2.2 Consumers’ purchase decision behavior

Consumer behavior defined as “The study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires.” (Solomon, et al, 2010, p6). Another definition of consumer behavior is “The dynamic interaction of affect and cognition, behavior, and environmental events by which human beings conduct the exchange aspects of their lives” (Bennett, 1989). Study of consumer behavior has shifted from why people purchase to consumption behavior (Blythe, 2008). One of the important aspects of consumer behavior is market segmentation, because consumers within the segment are more or less similar in terms of products needs and desire (Lantos, 2011). Market segmentation consists of different categories for instance demographics (age, gender, social class), geographic (region, country differences), psychographic (personality, life style) and behavioral (brand loyalty, benefit desire) (Solomon, et al, 2010).

Consumers’ physical and social environment have huge influences on consumers’ purchase decision and can make a big difference in their desire and motives for product purchase (Blythe, 2008). One of the important dimensions in consumer behavior is social time, which means “The time in relation to social processes and rhythms and schedules in society such as working hours, opening hours, eating hours, and other institutionalized schedules.” (Solomon, et al, 2010, p 68-69).
The communication situation where consumers receive information has an impact on their purchasing decision behavior (Hawkins & Mothersbaugh, 2010).

Everyday consumers make numerous decisions in their daily life. Consumer behavior is not just summarizing in making decision or the act of purchasing, consumer interaction and the range of experiences that associated with consuming is a part of consumer behavior as well (Schiffman, et al, 2008).

The central part of consumer behavior is consumers’ decision making. A decision process involves in several steps (figure 2).

![Figure 2 Consumer decision-making process (Kardes, Cronley, Cline, 2011)](image)

**Consumers’ purchasing decision and problem recognition**

Problem recognition is the first step of consumers’ purchase decisions process that may occur because consumer has a desire for something new (Kardes, et al, 2011). Consumers’ purchase decisions begin with the result of problems or a single problem. There are those decisions which easily recognized, defied, and solved (needs of food) but there are unexpected problem as well which hard to solve (needs of car). There are different factors that affect problem recognition step such as social factors, cultural factors, reference groups, and environmental factors (Hawkins & Mothersbaugh, 2010).
Consumers’ purchasing decision and information search

Once a problem is recognized, consumers begin to seek about relevant information. There are two types of information sources; internal and external information search. Internal search involves the consumers’ memory about the products, and external search includes word of mouth, stores visit, trial and online social networking and social media (Kardes, et al, 2011). Nowadays, online environment effectively involves in purchase decisions process and Internet has become an important tool for information search. The different types of decisions influence on the level and direction of the search (Hawkins & Mothersbaugh, 2010).

Consumers’ purchasing decision and evaluation of alternative

In this step consumers start to compare and evaluate several alternatives in terms of products features and their desire and needs. Sometimes consumers’ choices are based on simple decision such as “buy the cheapest products” but there are some decisions that are complex and consist of different processes and stages. In this stage consumers consider which alternative would be the best to fulfill their need (Blythe, 2008).

Consumers’ purchasing decision and product choice (purchase decision)

Once consumers have found their relevant alternatives and evaluated them, they should make their choice among the alternatives. Consumers choose the certain products because the product appeals to them. The choice can be influenced by the gathered information from different sources therefore Internet is an effective tool in this stage (Hawkins & Mothersbaugh, 2010).

Consumers’ purchasing decision and post-purchase evaluation

The quality of the decision becomes important in this stage of process and how well the choice worked out. Consumers start to compare their perceptions of the product with their expectations (Kardes, et al, 2011).

Different types of consumers’ purchase decision processes

The level of purchase involvement defined as “The level of concern for, or interest in, the purchase process triggered by the need to consider a particular purchase” (Hawkins & Mothersbaugh, 2010, p 497).
There are different types of consumers’ purchase decision processes with different level of involvement (Hawkins & Mothersbaugh, 2010).

- Nominal decision-making: it occurs when consumers involve with the purchase in very low involvement. Nominal decision-making includes problem recognition and internal search but does not include the evaluation of alternative step.
- Limited decision making: it is similar to nominal decision making with the difference that in limited decision making there is a limited amount of external search and a few alternatives are evaluated.
- Extended decision-making: it occurs when consumers are highly involved with purchase, and the decision-making becomes increasingly complex. Consumers complete all the steps of purchasing decision process.

2.3 The impact of Online social networks on consumers’ purchase decision

Consumers belong or admire different online groups generally and those groups are able to change their purchasing decisions behavior (Solomon, et al, 2010). According to Evans, et al (2009) joint decision-making is defined as, consumers are taken their decisions within the environment around them such as environment of family, friends, and co-workers. In traditional way, consumers make their purchase decisions base on information that they received through mass media (e.g. advertising, newspaper, television comment), but nowadays, online social networks can have power to affect consumers’ purchase decision (East, Wright & Vanhuele, 2008).

There are different social network groups that possess the power to influence consumers’ purchase decision (Evans, et al, 2009):

1. Primary groups: are characterized by the size and the close relationship within individuals (e.g. family members, close friends)
2. Secondary groups: are made up of more than one primary groups (e.g. wider social system within organizations or university)
3. Informal groups: are made up of individuals with common interests or cultures
4. Formal groups: are organized with a more rigid structures
5. Virtual groups (communities): online social networks, blogs
Reference groups are also part of social network groups that is individuals or groups whose opinions or behavior are important to consumers and have an impact on their behavior. There are different types of reference groups for instance cultural figure, parents, large, and formal organizations, small and informal groups. Small and informal groups have greater impact on consumers’ purchase decision because they are a part of their day-to-day life (Evans, et al, 2009). Schiffman, et al (2008) categorized reference groups in several different categories, one of them is Virtual communities, as mentioned earlier thanks to Internet, a new type of group has emerged. The exchange of knowledge, experiences, and opinions of each individual within different virtual communities can help the products or services either sell faster or fail. Different social networks groups are providing information for consumers to help them, to make the right purchase decisions.

All types of reference groups influence on consumers’ purchase decision in three ways: 1) Informational influence, seek information about different kinds of brands 2) Utilitarian influence, consumer’s purchase decision is relied on satisfaction of other in ones social groups 3) Value-expressive influence, the image that others have on consumers become important in order to choose particular brand (Solomon, et al, 2010).

According to a study by OTX (Online Testing eXchange) on behalf of DEI Worldwide (2008) showed that various types of online social networks have become a new source of information and consumers rely on them as much as companies websites. The research also confirmed 60 percent of consumers reported online Word-Of-Mouth (recommendations from other consumers online) is powerful and valuable and could impact on their purchase decision. The companies, which participate with online social networks, have a greater opportunity to impact on consumers’ purchase decision. Consumers would like to pass the information that they received about different kinds of companies, products or services. Consumers who searched information via online social networks and share the information with others, are getting involved in online Word-Of-Mouth communication

Riegner (2007) research on online social networks and consumers’ purchasing decision was based on several segments:
• Online insiders: very active on Internet and have huge influence on consumers’ purchase decision.
• Social clickers: heavy online communicators but they are younger and less effective.
• Content kings: tend to be young and addicted to online entertainment.
• Everyday pros: participate in online shopping activities.
• Fast trackers: they are using the Internet to cover their immediate needs such as weather or news.

The segmentation aims to analyze the broadband population. Among these segments, Online insiders and Social clickers are particularly immersed in online communication activities. Understanding segments’ online behavior can create a base for the further study and analysis of consumers’ purchasing decision process. The table 1 below showed the online users activities that have been done during a month by each segments.

<table>
<thead>
<tr>
<th></th>
<th>Online Insiders</th>
<th>Social Clickers</th>
<th>Content Kings</th>
<th>Everyday Pros</th>
<th>Fast Trackers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review products</td>
<td>40%</td>
<td>31%</td>
<td>24%</td>
<td>35%</td>
<td>25%</td>
</tr>
<tr>
<td>Chat in chat room</td>
<td>18%</td>
<td>15%</td>
<td>15%</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>Post to forums</td>
<td>35%</td>
<td>24%</td>
<td>26%</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Express opinions</td>
<td>13%</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>Post to journal</td>
<td>18%</td>
<td>17%</td>
<td>14%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Publish a blog</td>
<td>21%</td>
<td>19%</td>
<td>17%</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>Share via P2P network</td>
<td>12%</td>
<td>8%</td>
<td>11%</td>
<td>6%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Table 1: Content creation by segment, Riegner (2007)
The online insiders got engaged in online Word-Of-Mouth because of their communication activities with other consumers and they are very influential groups that have huge influence on consumers’ purchase decision.

2.4 The reasons behind online social networks’ influences on consumers’ purchase decision

2.4.1 Online Word-Of-Mouth communication

An informal means of communication (such as communication with friends, family members and co-workers), much of what you discuss is related to products and information about different products or services. Once you ask your co-workers where they bought their dress or recommend new restaurant to your friends, you are involving in Word-Of-Mouth (WOM) communication (Solomon, et al, 2010). Many choices of consumers are made within different social groups and even once consumers decide on their own, Word-Of-Mouth from other people can influence them (East, et al, 2008). Word-Of-Mouth in traditional communication theory considers as possessing powerful influence on consumers’ purchasing decision behavior in every steps especially information search, evaluation of alternative, and product choice (Silverman, G, 2001).

Word-Of-Mouth is also can be described as an engagement of consumers in positive or negative communication or an outcome of satisfaction or dissatisfaction experiences. WOM is person-to-person communication, regarding to brands, products, services, companies, and organizations that have an impact on consumers’ purchase decision (Evans, et al, 2009).

This type of communication is more reliable form of marketing and can be an efficient tool. Past research has shown that WOM has more impact than traditional marketing tools (Katz & Lazarfeld, 1955). Social influences for instance WOM, can change people’s feelings, actions, opinions, or behaviors (Huang, Boh, & Goh, 2011). Someone’s direct recommendations possess power and have impact on purchase decisions. Although WOM is powerful especially once consumers are unfamiliar with products. It can be also harmful for companies when negative WOM occurs or it can be rumors. Negative and positive WOM is easy to spread, especially online (Solomon, et al, 2010). Recent research showed (East, et al, 2008) that positive WOM is more effective than negative WOM and it depends on relationship between consumers.
Word-Of-Mouth communication is a main part of online communication where consumers exchange and share their knowledge, opinions and experiences and has an impact on consumers’ purchasing decisions. The online communities are flexible, and may be based on a wide range of cultural and social interests (Brown, et al, 2007). Online Word-Of-Mouth communication is cheaper, faster, and more effective than the other marketing tools (Dellarocas, 2003).

There are three keys influence of Word-Of-Mouth communication on consumers’ purchase decision: (Brown, et al, 2007)

- Tie strength: “a multidimensional construct that represents the strength of the dyadic interpersonal relationships in the context of social networks” (Money, et al, 1998, p.79)
- Homophily: members of a group are similar in terms of attributes
- Source credibility: impact of source expertise and source bias on credibility of information

Online Word-Of-Mouth communication is through online social networking sites, blogs, online discussion forums, virtual communities, and rating/reviews sites (Goldsmith, 2006). Online WOM allows consumers to gather and obtain information from variety of groups of people, not only from people they know (Ratchford, et al, 2001; Lee, et al, 2006). A survey that has done by ACNielson (2007) found that most consumers are relied on online opinions for their purchase decision. According to study by Li, Bernoff, Pflaum, & Glass (2007), 50 percent of adult users of online social networks share and tell about the products that they like.

Information search is one of the consumers’ purchase decision steps and consumers like to search for information about products to reduce risk and uncertainty, which affect consumers’ purchase decision and lead them to have a better purchase decision (Peterson & Merino, 2003). Many consumers check other consumers’ recommendations (WOM) before making any purchasing decision especially when it comes to buy new products (Kim & Srivastava, 2007).
2.4.2 Consumers interaction in online social networks

Nowadays, consumers have taken a role for spreading opinions through online social networks such as Facebook rather than being message receivers from marketers (Sinclaire & Vogus, 2011). On the online social networks, consumers can share experiences, opinions, and knowledge therefore they can interact easily with one another through online social networks (Huang & Chen, 2006). Online interactions and recommendations influenced consumers’ product choices (Senecal and Nantel, 2004).

The research study by Hennig-Thurau and Walsh (2003) showed that, there are five factors of reading online opinions (interaction with other consumers) that influence consumers’ behavior in terms of purchasing and communication:

- Obtaining buying-related information (reduce risks)
- Social orientation through information (consumers can evaluate and compare between different products)
- Community membership (consumers belong and admire different online social networks)
- Remuneration (consumers like prize and award)
- Learning about new products’ consumption

Online social networks provide a place for consumers where they can share their product opinions either positive or negative with one another in social interaction (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004). It means they can share their own recommendations, opinions and compare their experiences with other consumers (Kim & Srivastava, 2007).

A recent research by Edison (2011) on American users of online social networks showed that about 52 percent of Americans have at least one or more social network profiles. The research also showed a quarter of online social networks users follow their favorite products, companies and services on these online social networks sites, that 80 percent of them used Facebook companies and brands pages. The finding can showed online social networks have become a product information source.
3 Methodology

3.1 Research philosophy

According to Widerberg (2002), there’re three dominant views: positivism, hermeneutics and realism. These views are about how knowledge emerges, they are not independently and exclusively in all aspects, but more overlap one another. While the scientific approaches are often limited to the schools of positivism and hermeneutic, they are frequently discussed as the methodological approaches.

Positivism claims an objective, independent point of view. The researcher is independent of and neither affects nor is affected by the subject of the research (Remenyi & Williams, 1998). A research hold positivism philosophy indicates researcher would adopt the natural science and prefer working with social reality which is observable, and the result tend to be “Law-like generalizations” (Remenyi et al. 1998, Saunders M, et al. 2003). Saunders, et al. (2003) indicate that positivism approach tend to emphasis on quantifiable observations which can be conducted to statistical analysis. In general, positivism approach leans to quantitative method based research.

A hermeneutic approach focuses more on interpretations and understanding of the study field. Alvesson and Sköldberg (1994) suggest that only on the base of the pre-understanding of background and phenomenon of the whole field, the study area will be better understood. According to Eriksson and Wiedersheim-Paul (1999), in logical, hermeneutic approach indicates more qualitative nature.

The study leans more on hermeneutics rather than positivism. The authors choose hermeneutics approach because in social networks and consumer behavior backgrounds, study is more complicated than the literature. The authors need to find out the influence of online social networks in consumers’ decision process, and the reasons behind. The hermeneutic approach can help the authors to have deep understanding of consumers’ point of view regarding the online social networks and food retailers; answers from interviewees can be interpreted by connecting with literature.

3.2 Research approach

The study aims at examine the impact of online social networks on consumer’s purchasing behavior; more precisely, it try to discover how online social networks have impact
on consumers’ purchasing decision, and also the reasons behind. To investigate and collect data to fulfill the study, proper research methods need to be used in order to ensure a reliable result. Gathering information is easy, but gathering the right information, which fits study purpose, is more complicated.

There are two main research orientations: inductive and deductive. A deductive research can provide prediction that is made out from already existing theories and the prediction will be scale tested. While an inductive research implies owing more to hermeneutics, where theories is built based on data and empirical findings.

The study leans more on inductive that would provide descriptive input to the empirical finding and analysis. Inductive research allows the authors find the answers to the research questions by understanding consumers’ responses regarding online social networks and its impact on consumer’s purchasing decision making behavior; and the authors can build the theory based on the findings and analysis. The precise plan will be discussed in data gathering.

3.3 Research strategy

In order to carry out the prospect result and information, a qualitative research methodology was chosen for this study. The qualitative study does not focus on numbers, but on observations and the content of the interview; Zikmund (2000) described qualitative research as “stories, visual portrayals, meaningful characterizations, interpretations, and other expressive descriptions.” and he also indicated that: “The purpose of quantitative research is to determine the quantity or extent of some phenomenon in the form of numbers”. Compare to quantitative research, qualitative research is more flexible and adaptable, it allows researchers to use various methods to observe and discover, and enable participants to response and express their specific feelings and thoughts in the context. (Malhotra & Birks, 2007). In addition, Alvesson and Sköldberg (1994) discuss that qualitative research aims at generating theory rather than verifying a scale of a theory.

The reason of choosing qualitative data was the study aims at discovering the impact of online social network on consumers’ purchasing decision process finding the link with food retailers. The study more focuses on finding the existence of the theory rather than examine the scale. The authors need to understand consumers’ purchasing decision pro-
cess regarding the food retailers when they are in the context of online social networks and the reasons behind the manners.

3.4 Collection of Data

Data can be collected from different sources and for different reasons. Depend on the content of information, data can be use for various purposes, therefore it is important to know where to get the data and find the most valid and suitable data for the specific research purposes (Mason, 2002)

3.4.1 Primary data:

Researchers originally gather Primary data for specific purpose in current research (Merriam, 2002). Collecting primary data usually has higher cost of money and time compare to the secondary data. In this study telephone and face-to-face interviews with consumers are chosen to collecting data to discover the impact of online social networks on consumers’ purchasing decision process in food retailers.

3.4.2 Secondary data

Secondary data is not originally collected for the current study purpose, it normally was primary data gathered for other purposes. The benefit of secondary data is that it has lower cost, of both money and time. In this study, the authors would collect secondary data mainly from the supermarkets’ Facebook page.

3.5 Study object selection

Meanwhile, the author checked some supermarkets who have created their Facebook public page, and almost every supermarket have Facebook page that ran by headquarter; some local store has their own page (ICA supermarket, ICA Maxi, Coop Forum in different cities which has their own Facebook public page).

Consumers who are involved in this study should be active users of Facebook and they have checked supermarkets’ Facebook page (So the first interview questions would be: Have you ever checked supermarkets’ Facebook page?). Consumers have the experience of shopping in supermarket, and making purchasing decisions when they are choosing food retailers (supermarkets), therefore, the study focus on when consumers’ purchasing decision behavior connects with the online social networks. Consumer interviewees are chosen according to this guide. In addition, because of the geographic limi-
tation, consumers who live in Sweden are considered. The function of Facebook allows the authors find interviewees through the supermarkets Facebook page, where shows the authors’ friends have liked this page.

Interviewees selected for taking the interviews are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bylund Karin</td>
<td>48</td>
<td>Hudiksvall, Sweden</td>
</tr>
<tr>
<td>2. Esmail Narmin</td>
<td>20</td>
<td>Örebro, Sweden</td>
</tr>
<tr>
<td>3. Fayezizadeh Anis</td>
<td>24</td>
<td>Karachi, Pakistan</td>
</tr>
<tr>
<td>4. Feng Xue</td>
<td>20</td>
<td>Jönköping, Sweden</td>
</tr>
<tr>
<td>5. Ghaemmaghami Pegah</td>
<td>24</td>
<td>Helsingborg, Sweden</td>
</tr>
<tr>
<td>6. Köldahl Jenny</td>
<td>30</td>
<td>Borlänge, Sweden</td>
</tr>
<tr>
<td>7. Li Qian</td>
<td>28</td>
<td>Jönköping, Sweden</td>
</tr>
<tr>
<td>8. Mainali Anup</td>
<td>25</td>
<td>Kathmandu, Nepal</td>
</tr>
<tr>
<td>9. Nordenankar Xiaoli</td>
<td>35</td>
<td>Jönköping, Sweden</td>
</tr>
<tr>
<td>10. Shdadkhah Negar</td>
<td>27</td>
<td>Jönköping, Sweden</td>
</tr>
<tr>
<td>11. Vaezipour Atiye</td>
<td>27</td>
<td>Jönköping, Sweden</td>
</tr>
</tbody>
</table>

3.6 Research Design

In this study, qualitative primary data would be obtained through face-to-face and telephone interviews with supermarket consumers who checked Facebook page; secondary data would be gathered through supermarkets’ Facebook page, including the ones ran by headquarters and the specific stores. The following sessions are going to explain the precisely design.
3.6.1 Design of qualitative research – interview design

Data collection methods in qualitative research mainly are: in-depth interviews, focus groups, metaphor analysis, collage research and projective techniques (Schiffman, et al, 2008). Hawkins & Mothersbaugh (2010) thinks that individual depth interview can be applied in the situation where professional people or people on the subject of their jobs are involved. Interviews would be face-to-face in-depth interviews or telephone interviews.

The authors choose face-to-face interview and telephone interview with consumers. Few supermarkets in Jönköping have created their own pages, interviewees from Jönköping can check Supermarket Company’s Facebook page. Telephone interview allows the authors access direct information sources without geographic limitation to get reliable data. Through interviews, the author can have a general idea about how online social networks involve in consumers’ purchasing decision when it comes to food retailers, the authors can have further understanding of the implication of consumer’s behavior and the reason behind their specific behavior.

3.6.2 Interview question design

The interview questions design is starting with the review of study purposes. Schiffman, et al (2008) suggested that researchers need to review the purpose of study and the types of data needed when designing the research. One of the purposes of qualitative research in the study is providing valuable information for quantitative survey; besides, the study aims at food companies’ opinion about social networks and its impact on consumers. Hawkins and Mothersbaugh (2010) indicates that interviewers are free to create questions which encourage interviewee respond relevant information, and interviewer should try to develop the best set of data in any way practical. However, Hawkins & Mothersbaugh (2010) also suggests that the interviewer must follow one rule: interviewers must not try to affect the respondents’ answer content.

Open-ended questions can be used in this study, according to Guion, Diehl and McDonald (2001), the questions need to be designed for respondents, so that respondents need to explain, not just give “Yes” or “No” answers. Questions start with “Why” or “How” allows respondents freely answers the questions.
To make sure there is no indicated meaning in the questions, and they can be properly used in interviews, the authors discussed with supervisor and other fellows about the interview questions. Therefore 2 basic themes, which are based on, study purpose and research questions are in the interview questions, which allows the authors ask questions which are under the theme and adapted according to the responses. Theme 1 is trying to find out what consumers check in supermarkets’ Facebook page. Consumers who liked supermarkets’ public page would have the updated posts show up on their recent posts walls, including the supermarkets’ recent posts and activities. This information also counts as the ones consumers’ get from supermarkets’ public page. This theme indicate clearly the purpose of research question 1, and it aims at finding out which steps of consumers’ purchasing decision process do online social networks involved in. Theme 2 aims at finding out the reasons behind specific steps of the consumers’ purchasing decision process. It helps to understand consumers’ motivation of using Facebook in several steps of purchasing decision process, and it allows the authors to interpret and analyze interviewees’ answers in the analysis.

3.7 Evaluation of research results

When conducting a qualitative research, the ways to measure the conclusion can be reliable or valid. So reliability and validity will be discussed here.

3.7.1 Reliability

Reliability refers to the trustworthiness of the data and the analysis of the data. It focuses on testing accuracy of the research, and whether the research is using the right method to procedure data (Mason, 2002). The choice of in-depth interview comes from the fact that researchers need to understand respondents’ specific manner on Facebook when it comes to food retailers. In order to avoid bias questions giving indications to respondents and influencing interviewees’ answers, the interview questions are carefully designed under 2 themes. Therefore without specific questions, the authors can ask open questions according to the answers and respondents can speak freely.

3.7.2 Validity

To get credible results from interviews and minimize the risk of not answering the research questions, the validity of the study is going to be discussed. Validity refers to what degree a research actually measures what it was intended to measure (Saunders et
Validity is to measure if researchers manage to find relevant data to answer the research questions, support the study purpose. To ensure the validity of the empirical data, the authors choose active user of Facebook so that data can cover the research questions. In order to find the proper data to answer research questions, the interview themes and questions are designed based on the research questions. All interviewees are active user of Facebook and they have checked supermarkets’ Facebook page before, so answers are all valid, respondents are encouraged to express their true feelings and opinions. Since researchers have obtained secondary data from supermarkets’ Facebook page, they are able to find what is not answered and what it means by respondents. Since interview questions are open questions, researchers can recognize what is not answered during the interview and can ask additional questions accordingly.
4 Empirical Findings

4.1 Primary data—Interview result

Primary data obtained by qualitative research method are presented below. Qualitative data are mainly related to consumers’ purchasing decision process steps and the reasons behind online social networks’ influences on these steps. Data are presented under the subtitles, which are based on research questions, the impact of online social network (Facebook) on consumers’ purchase decision and the reasons behind online social networks’ influences on consumers’ purchase decision.

4.1.1 The impact of online social network (Facebook) on consumers’ purchase decision

Findings under this title mainly related to answer Research question 1: Which steps of consumers’ purchasing decision process do online social networks influence? Since consumers who liked the page will get information from supermarkets now and then on the recent posts page, these information people see counts as the answers of this question.

4.1.1.1 Promotions and offers

During the interviews, majority of interviewees frequently mentioned they checked discounts, offers, and promotions, on supermarkets’ Facebook page. Some interviewees mentioned that they compare different offers from several supermarkets to find the best offer. Student interviewees focus a lot on food price. In the Facebook page, they search the discount, offers, or competitions where they can win different prizes or get free food. Some special offers are only for members, or for special occasions like Easter egg and salmon offers. Respondent Esmail from Örebro said that: “ICA Maxi offers student free bus to the supermarket,”

“Everybody likes free gift, I am a student and I want to save money. When I want to do big purchase, I use the free bus and I got more choices there.”

Interviewees who have jobs also focus on the food quality, nutrition and the shops atmosphere. Some interviewees are members of different supermarkets; therefore they can check offers for members on supermarkets’ Facebook page before shopping.
4.1.1.2 **Company/store information**

Company information is presented on Facebook page as well, for instance opening hours, telephone number, website or the company introduction. Interviewees concern the opening hours in the holidays, because supermarkets usually have shorter opening hours; consumers can ask or check this special open time on Facebook. During the interview Bylund said “I can check or ask the opening hour on Facebook, I don’t need to go to the supermarket.” One interviewee point out: “I can learn more about the Swedish culture and company culture through the information in Facebook page.” Advertisement videos are also posted on Facebook, one interviewee enjoys watching advertisement on Facebook instead of television ads because “I can check people’s comments as well as posting comments or share the advertising on my Facebook page.”

4.1.1.3 **Activities**

Some competitions, in which winners are selected randomly from the people who liked the Facebook page or shared the activities, for instance, give winner a wheelbarrow of candy in Easter.

“I will join it when the prize is really attractive. And I even will share with my friends.”

One interviewee said, “I participated in different activities such as blood donation and cycling, the supermarket often organize activities like these. Some activities I can see on Facebook but I can’t participate for some reasons, if the activities are positive, it makes me more rely on this supermarket, and trust it more.”

Another interviewee point out: “If the information is interested in, I will join. If I want to go shopping tomorrow and I see on Facebook that there will be activity on that day, I will change my shopping date to avoid the crowd in shop and parking.”

4.1.1.4 **Services**

New products, new services, recipes…and things, which look interesting, attract consumers’ eyes.

Once it comes to special food products Respondents focus on the food quality, the atmosphere in the store and the convenient services provided. Two respondents mentioned that they check new service in the Facebook page, like ICA provide recipes and
already made dishes for parties or special events; they would like to use this service for party or recommend to friends who will have wedding party. One respondent also see that supermarket’s members can apply to be a self-scanning customer directly from Facebook in ICA Maxi, “I thinks this service on Facebook makes things much easier, and saves lots of time.”

Six respondents mentioned recipes on Facebook: one respondent said: “When I don’t know what to eat, I will go and check the recipes on Facebook to check if there are some interesting recipes,” one respondent is vegetarian so she is interesting to get new vegetarian recipes, and the pictures looks nice. “I have a recipe in mind but I can’t remember the name, I only remember is that I saw it on the Facebook, so I go to the page and check.” One respondent mentioned: “I really like cooking; once I saw nice recipe on the Facebook I will try to make it.” They all agreed that even though supermarkets’ webpage provide the recipes as well but on their Facebook page they can find the people’s comments about different recipes and can help them to make a choice.

### 4.1.2 The reasons behind online social network (Facebook) on consumers’ purchase decision

The following findings are related with second research question: *What are the reasons behind online social networks’ influence on consumers’ purchasing decision process?*

The reasons are presented in the following titles.

#### 4.1.2.1 Long online time

People spend lots of time on Facebook, since respondents are active Facebook users; they access Facebook by computer and telephone, so basically they can connect to Facebook anywhere and anytime. Two respondents mentioned that they don’t watch TV every day, they don’t read newspaper every day, but they log in Facebook every day.

The long online time makes other things possible. When consumers want to search information in supermarket, they tend to search it on Facebook. Because most of the time the respondents are already on Facebook, they don’t need to open a new tab or window to Google the information.
4.1.2.2 Comments and recommendations (Online Word-Of-Mouth)

They checked people’s comments on the page. One interviewee mentioned people comment after they used the new service by ICA, which provide recipes or already made dishes for the parties or special holiday, “I think I will use this service too because it saves a lot of time and energy.”

Since some activities try to get more people to like the page or share the activities, an interviewee said:

“I don’t trust people who just liked the page, I am more rely on the people who leave a comment. I will check a bit more if the comments are useful.”

“I saw some friends who liked or commented on the supermarkets’ page, and if they are friend I trust, I will give more credits to this supermarket.”

Respondents check comments under other post and recommendation as well. One respondent mentioned: “when I saw a negative comment about the food quality in a specific supermarket; I will pay attention next time when I go to the store.” One mentioned that under the new food product post, people’s comment mentioned that it taste good, or contains good nutrition and good quality, “I would like to buy it and try it myself.”

4.1.2.3 Individual’s interaction between supermarket and other consumers

Consumers also try to find someone to answer their questions, hear their suggestions. One interviewee mentioned: “I want to know the opening hours of Easter, I don’t need to go to the supermarket and check, because I can ask through the Facebook page.”

Another interviewee said: “I left a suggestion on the page saying that I expect to have a specific Chinese product in the store.”

An interviewee also mentioned: “When I am not satisfied with a product, I can write complaint on the page, and supermarket answered me very fast. But if I use the website to contact, it takes too long to get an answer.”

Another interviewee said: “I saw people ask questions under the new product post, if I have used the product before, I will answer him/her on the post. Facebook is a good place to share experience and get to know new people.”
4.1.2.4 Convenience of Facebook:

Two respondents mentioned that supermarkets’ Facebook page covered overall information, they can find almost everything they want in one website, like video, discount, activities, opening hours, etc. “I like watch video on supermarkets’ Facebook page, I don’t need to search YouTube for it.” “I access everything on one page, opening time, telephone number and the things I’m interested in.” One respondent also said: “Facebook page layout is the same, I know where the information I want, but the supermar-kets’ web pages are different.”

Another reason is that after consumer liked the supermarkets’ Facebook page, posts from supermarkets will appear in consumers’ recent post interface, consumers don’t need to search information. One respondent mentioned: “When I don’t know what to eat, I will check recipes in the supermarkets’ Facebook page.” Since Facebook page has almost the same design, it’s more user-friendly than newsletters; consumers can easily find the information in different public pages. Moreover, on Facebook, once consumers see something good and interesting, it’s very easy and fast to share with their entire friends on Facebook, just by push the “share” or “like” button.

In addition, consumers can get direct contact with the supermarket and other consumers who linked with this page. If they have a question, they can go and ask on the Facebook page, and someone from the supermarket will answer very fast. Respondents pointed out that comments on the public page usually is more true than what traditional advertisement presented, Facebook is a free place for people share their opinions, complains and satisfaction.

When people compare supermarkets’ offers, they don’t need to go there and check, it saves lots of time. One respondent mentioned: “I do not accept advertisement newspaper because it hurts the environment, and because I won’t watch TV that often, it’s better to use Facebook.”
Secondary data

Findings on Facebook

Emergence of supermarkets on Facebook is quite recent. More than 20 supermarkets’ Facebook pages are mentioned during the interview. From the authors’ findings on Facebook page, most of them are quite new: the earliest is from January 2012; the oldest is from 2009, and very few of them are from that time. In general, supermarkets’ Facebook pages are still quite new.

Here is the table of the supermarkets that authors reviewed.

<table>
<thead>
<tr>
<th>Supermarkets</th>
<th>Joined Facebook</th>
<th>The number of Likes</th>
<th>Most popular age group</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICA</td>
<td>3 June 2009</td>
<td>160,148 likes</td>
<td>13-17 years old</td>
</tr>
<tr>
<td>COOP</td>
<td>28 April 2009</td>
<td>42,054 likes</td>
<td>35-44 years old</td>
</tr>
<tr>
<td>ICA Maxi Örebro</td>
<td>12 January 2011</td>
<td>3,894 likes</td>
<td>25-44 years old</td>
</tr>
<tr>
<td>Coop Extra Hudiksvall</td>
<td>21 December 2010</td>
<td>45 Likes</td>
<td>35-44 years old</td>
</tr>
<tr>
<td>Willys</td>
<td>2 December 2010</td>
<td>13,268 likes</td>
<td>18-24 years old</td>
</tr>
<tr>
<td>Lidl Sverige</td>
<td>5 January 2012</td>
<td>13,535 likes</td>
<td>35-54 years old</td>
</tr>
<tr>
<td>Hemköp Ryd</td>
<td>12 October 2011</td>
<td>12,629 likes</td>
<td>13-17 years old</td>
</tr>
</tbody>
</table>

Table 2: Information from supermarkets’ Facebook page (date: 11 May 2012)

Information posted on Facebook mainly is about: Promotions, links (advertisement, recipes…), pictures of supermarket and staff, new products/services…

The language of these supermarket are Swedish, but it doesn’t limit people from checking, because just under the words, there is a button “See Translation” for visitors to click, the translation is provided by Being.
5 Analysis

5.1 The impact of online social networks on consumers’ purchase decision

Consumers’ purchasing decision consists of several steps: problem recognition, information search, evaluation of alternative, purchase decision, and post-purchase evaluation (Kardes, et al, 2011). Whether consumers are aware of these steps or not, but to make a purchase decision they were involved in these steps. There are different types of consumers’ purchase decision processes with different level of involvement (Hawkins & Mothersbaugh, 2010). In the case of supermarket, consumers involve with the purchase in very low involvement in the routine types of products (Nominal decision-making) that does not include evaluate of alternative and external information search. In some cases when quality and safety become important the decision-making moves to limited decision-making. Limited decision-making includes of a few evaluation of alternative and a limited amount of external search.

The first step of consumers’ purchase decision is problem recognition that may occur because consumer has a desire for something new or interesting. Once supermarkets’ consumers have mentioned they have checked supermarkets’ Facebook page for new products and services, and something new for inspiration, the authors have put them in problem recognition category because they got involved in problem recognition step. The second step is information search, which consists of internal (consumers’ memory) and external (Word-Of-Mouth, online social networks) information search. During the interviews authors noticed that all eleven respondents have checked supermarkets’ Facebook page to search information especially for discounts, new products, promotions, recipes, and other consumers’ comments therefore they got engaged in external information search. The third step is evaluation of alternative which means consumers start to compare several products in terms of products features and their desire and needs. Seven out of eleven respondents have checked different supermarkets’ Facebook pages to compare different price, activities, and special offers in order to choose the best products and discounts. The fourth step is purchase decision; in this step consumer choose one product within different alternative because the product appeals to the consumer. The authors have found majority of consumers who have searched information and compared different supermarkets’ Facebook page in terms of products, discounts, and
promotion are the ones who have influenced by online social networks. The fifth step is Post-purchase evaluation, the quality of the decision becomes important and how well the choice worked out and comparing their perceptions of the product with their expectations. Respondents mentioned if there was any problem on their last visit to the supermarket they could write the complaint on their Facebook page and share with others followers. And they can also mention the positive side of the supermarket. The interesting part for them was, when they got an answer from the admin of supermarkets’ Facebook page or even other followers as soon as they sent the comments and it makes them to interact more with supermarkets and other consumers.

In general, Facebook has different extent impact on each step of consumers’ purchasing decision process. The author made a chart according to the findings from interview, by recognizing respondent’s answer to find which specific step it belongs to. Figure 3 showed the overall view of the impact of supermarkets’ Facebook page on different steps of consumers’ purchase decision and allows authors to compare the influences of supermarkets’ Facebook page on different steps.

![Figure 3: The overall view of the impact of online social networks (Facebook) on different steps of consumers’ purchase decision process in case of Supermarkets](image)
This figure indicated that online social networks have different impact on every step in the consumers’ purchasing decision process. Authors have noticed that the online social networks (Facebook) influence the “Information search” step most; eleven out of eleven interviewees have mentioned that they have chosen supermarkets’ Facebook page for their external information search. The choice can be influenced by the gathered information from different sources therefore Internet is an effective tool in purchase decision step (Hawkins & Mothersbaugh, 2010). Seven respondents are using Facebook when they are involved in “Evaluation of alternative” step. Five out of eleven respondents in the step “Post-purchase evaluation” will leave comment on the Facebook page.

The authors believe that since supermarkets’ Facebook page are newly appeared, it could be the reason that consumers are not that actively to leave a comment compare to the “information search” step.

5.2 The reasons behind online social networks’ influence on consumers’ purchasing decision process

5.2.1 Online Word-Of-Mouth communication

Word-Of-Mouth communication is a main part of online communication where consumers exchange and share their knowledge, opinions and experiences (Brown, et al, 2007). Online Word-Of-Mouth communication allows consumers to gather and obtain information from variety of groups of people, not only from people they know (Ratchford, et al, 2001; Lee, et al, 2006). From the findings, the authors noticed that consumers regard comments and likes on supermarkets’ Facebook page are reliable and valuable especially when it comes to new products or special offers, and consumers relied on them even though they might never known one another.

Consumers check comments, share their opinion and experience on supermarkets’ Facebook page. The main reason that they have chosen supermarkets’ Facebook page instead of supermarkets’ webpage or newspaper is that they can see comments and likes from other consumers and the ability of sharing information with all their friends on Facebook, which makes them get involved in online Word-Of-Mouth communication. Due to their communication and interaction activities, they are engaged in online Word-Of-Mouth communication. Someone’s direct recommendations (WOM) have an impact on purchase decisions. Negative and positive WOM is easy to spread, especially online
(Solomon, et al, 2010). The benefit of comments and likes from other consumers on supermarkets’ Facebook page is that they help consumers to choose between different supermarket for different products or services. Consumers stated that once they find interesting post on supermarkets’ Facebook page they can easily share with their entire friend list on Facebook.

The interviews finding showed online Word-Of-Mouth communication influence consumers’ purchase decision especially on information search, evaluation of alternative, and purchase decision steps of consumers’ purchase decision.

5.2.2 Consumers interaction in online social networks

Internet today is not just an information access tool; it also has become an interaction tool (Heinrichs, et al, 2011). Online social network (Facebook) has become a well-known communication and interaction channel among people around the world (Cheung, et al, 2010). Online social networks allow people to construct a dynamic public profile to share their knowledge, experiences, and opinion with one another (Denegri-Knott, 2006). Nowadays online social networks is not just allocated to consumers, companies can construct their official Facebook page as well.

Regarding to authors’ findings the supermarkets’ Facebook pages are new appearance on online social network, some active Facebook user may never checked supermarkets’ Facebook page. Consumers are checking special offers, promotions, discounts, comments, different posts and the number of likes on supermarkets’ Facebook page. Online social network (Facebook) is flexible and based on a wide range of social interests (Brown, et al, 2007).

From the findings, the author realized that Facebook’s characteristics make consumers rely on Facebook a lot. Consumers can do a lot of things on Facebook. It is flexible due to comments, likes, and overall view of information; consumers believed Facebook was easy to use, can save their time; it is fast, convenience, and common among majority of people. The user interface (design) of Facebook for all the different pages are the same therefore it is understandable, clear, and simple to use.

The authors’ finding showed consumers have faith on supermarkets’ Facebook page. Facebook page allows them to have direct interaction and relationship with supermar-
kets and other consumers, consumers can see the real side of the supermarket through interaction, which can increases or decrease consumers’ royalty to the supermarket. The growth of online participation and discussion made consumers enable to impact the products and brands that some other consumers may consider to purchase (Riegner, 2007). Hence positive or negative comments from consumers on different posts on supermarkets’ Facebook page have impact on consumers’ purchasing decision on products and brands or the supermarket.

The finding showed there are new activities on supermarkets’ Facebook pages and supermarkets’ web-pages, and they are introducing different recipes as well. Majority of respondents of interviews mentioned that regarding this particular activity, they prefer supermarkets’ Facebook page because other consumers’ comments are available and they can share the posts with their friends at the same time.

According to the consumers, once they like any kinds of pages (in this case they are supermarkets’ pages) any new post (activities, recipes…) from particular page comes up on their new feeds /recent posts Facebook page without they going to the website and searching. Facebook works as a reminder for them to check the supermarkets’ Facebook page.

An additional facility that consumers are interested about Facebook is, supermarkets’ Facebook pages can update their consumers several times in a day, by updating their status, posting pictures, posting several activities that and etc. Consumers believed they could be the first person to know information about supermarkets, products, or services.
6 Conclusions

Authors concluded this study by answering the research questions with proper and relevant information findings.

R1: Which steps of consumers’ purchasing decision process do online social networks influence?

When consumers make purchasing decision regarding food retailers, online social networks influence information search step the most, steps followed are Purchase decision and Evaluation of alternatives. Online social networks also impact problem recognition and post-purchase evaluation steps but not as much as other steps. The finding showed that consumers perceive online social networks as an information source when they want to make purchasing in food retailer shops; and nowadays they gradually replacing the search engines sites by Facebook. Once Consumers searched on online social networks they got involved in external information search that consists of Word-Of-Mouth communication as well. Consumers’ choices regarding food retailers can be influenced by the gathered information from different sources especially from online social networks. Consumers the most convenient way to compare between different food retailer shops, products, or services is on Facebook because of its features. Consumers can express their satisfaction or dissatisfaction about their experience to companies, about products, or services, or share their knowledge and opinions on their online social network and share with others.

R2: What are the reasons behind online social networks’ influence on consumers’ purchasing decision process?

The main reasons that consumers are interested in supermarkets’ online social networks is they are able to interact with other consumers and supermarkets, consumer get involved in online Word-Of-Mouth communications when they interaction with other consumers because they can not find these features in any other websites. Consumers can be influenced during interaction with others or WOM communication. Authors’ findings also showed that nowadays, online social networks are well-known among people therefore they are spending a lot of time on one or two online social network sites and it is convenience for them to use online social networks for searching information about different supermarkets, products, or services instead of supermarkets’
websites. Consumers prefer online social networks because of special features that online social networks have provided them such as sharing their knowledge, opinions, and experiences and even compare them with others’ experiences or opinions. Consumers like to receive recommendations from others for different supermarkets and products before purchasing.

To conclude, online social networks impact every step of consumers’ purchasing decision process to different extent regarding food retailer shops. The reasons are mainly because Facebook’s features bring convenience to people, consumers spend more time on it, and Facebook’s features allow consumers to interact with supermarkets and other consumers and see comments from other consumers on supermarkets’ Facebook pages.
7 Discussion and implication

7.1 Implication for firms in food industry

The findings of this study can be useful to food retailers, especially supermarkets and other companies related with food. Since the authors have interviewed consumers, the findings from the study can help firms understand consumer more:

- Consumers have more faith and feel closer to the company when interacting with supermarkets on Facebook. Online social networks, especially Facebook bring company closer to consumers and the other way around as well. The company can get more direct feedback from consumers through Facebook. So the author suggest that every specific stores should open their own Facebook page to bring consumer closer.

- Facebook show the facts about the company through posts, pictures, activities, comments, etc. Consumers can feel the mindset and the culture through Facebook, which increase customers’ royalty to the company. Of course, some negative comments on Facebook can access by public, it will leave deeper impression to the consumers than the positive ones; but companies can see it as a motivation to improve.

7.2 Suggestions for further research

Specific supermarket stores get involved in online social networks (Facebook) lately, but the trend is more and more shops will open their Facebook pages. Firstly, when food retailers have a bigger scale on online social networks, quantitative research can be utilized for further study about the extent of online social networks’ influence on consumers’ purchasing decision process regarding food retailers. Secondly, this study covers only the consumers’ perspective on online social network, further study can study online social network from company’s perspective.
List of references


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Appendices

Appendix I

Interviews

Consumer 1. Atiye Vaezipour 27 Jönköping

Do you check supermarkets’ Facebook page?

Yes

(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Promotion
- Special offers
- Discounts
- Check comments only on new products
- Sharing special offers and new items

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- Active person on Facebook and always online
- Interaction with other customers (Social)
- Easy to use
- Facebook it's so common nowadays
- New posts from specific supermarket page that you like it come up on your new feeds page and draw me to check the page
- You can be update everyday about different products or services they are offer and with this updating you can be the first one to know the information
- All the supermarkets that I like, are not around therefore if I see something interesting on their Facebook page I would definitely go to that supermarket directly
- Comments and likes from others can help me to choose between different supermarket for different products or services
- Comments and likes from others are more reliable than supermarkets ads
- Facebook is fast
Consumer 2. Anis Fayezizadeh, 24, Karachi

Do you check supermarkets’ Facebook page?
Yes
(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

✔ Discounts
✔ New items
✔ Comments and likes specially negative comments
✔ I never shared the information because I wont do advertising for free. But some times I share the information on friends wall or send it as a message.

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

✔ Main reason of using Facebook instead of their own webpage it is to write and read comments
✔ If there was any problem on my last visit to the supermarket I could write the complaint on their Facebook page and share with others followers
✔ I look to different supermarket page to choose the best item and discount.
✔ The supermarket pages show a picture of the new items they bring and if the item is what I needed ill go to get it or if they write about few days sale in their selected items I will definitely visit the market
✔ It s faster and easier to check on Facebook due to time
✔ The best part is the information they share shows up on my home page And its like reminder to check out their page
Consumer 3. Pegah Ghaemmaghami, 24, Helsingborg

Do you check supermarkets’ Facebook page?
Yes
(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Facebook pages to me are just comments and likes because for products, or new products, I can check on webpage. But I can't find any comments or reviews on their webpage.
- And also I can not denied that Facebook pages are the best information source.

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- I can compare comments and likes from different supermarket and make a choice about products and even which supermarkets I can buy my daily food products.
- On their Facebook they put their advertising and I can check the comments and even I can interact with other consumers and talk about my opinions and experiences.
- I like everyday update of their Facebook page new products picture, new sales, discounts, even status.
- Facebook is so common and easy to use.
- You have all the information from every different supermarket at the same time, instead of going to each supermarket directly or their webpage to see what their new products or offers are.
- It's flexible and you are not that flexible in their webpage due to comments, likes, sharing.
- You save a lot of time.
- Supermarket nowadays brings new service that is introducing different recopies. You can find it on their web page also but the best thing on their Facebook page is you can see others comments and you can use the post and read comments at the same time. People’s comments in this case become so valuable and reliable.
- You can find everything on their Facebook page in interesting way why boreing newspaper.
Consumer 4. Negar Shdadkhah, 27, Jönköping

Do you check supermarkets’ Facebook page?

Yes

(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

➔ Discounts
➔ Checking comments and likes
➔ New products
➔ Compares different supermarket due to their activities

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

➔ I m an active person on Facebook
➔ It s so easy to use and search information, there are so many information about different supermarket
➔ Comments of other consumers are important to me
➔ I wont check their Facebook page for routine products like milk or bread. But for some products it s all about quality and safety like meat or even vegetable therefore Facebook page allow me to check others comments out and choose the best place to buy my special food products
➔ I don’t think I would share any posts of supermarket on my Facebook page but I will let my friends know about special offers or new products by telling them.
➔ Other benefits for Facebook is that if I m not satisfied with a product of supermarket I can complain on their Facebook page because they answer me faster and it s easier and other consumers can also see it. If you contact them through their website takes ages to get back to you.
➔ All the information from different supermarket is on Facebook so you don’t need first to search for webpage on Google and find the direct and right webpage.
➔ User interface of Facebook pages are more clear and easier to understand because all the pages’ design on Facebook are the same. But every each supermarket webpage has different design and interface and it makes it more complex to find what you need.
➔ Save my time
➔ More interesting
Consumer 5. Jenny Köldahl, 30, Borlänge

Do you check supermarkets’ Facebook page?

Yes

(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Comments and likes
- Because I m working in Ica maxi so I don’t check new products or ads on Facebook
- But I do care about consumers’ responses
- Comment of others is the only thing that you can not find on supermarkets’ website
- But sometimes I do search on Facebook pages for information

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- I love the interaction and communication among consumers on Facebook page
- And getting update several time in a day it s amazing.
- Sharing the interesting posts is another reason that I like supermarkets’ Facebook page. I can let all my friends know about discounts and new products once and not call all of them because it takes too much time. And nowadays majority of people use Facebook so it s easy to spread the words
- Supermarkets’ Facebook page runs by a head quarter of each supermarket and some people are responsible for the page. Therefore when consumers ask questions or complain about something they get the answer sooner than sending email through website
- Or even other consumers can answer their questions if they know. That only can happens on Facebook
- Fast and easy to use because if you have a smart phone you can check your Facebook everywhere
Do you check supermarkets’ Facebook page?

Yes

(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Opening hours of the shop; someone to tell the opening time of red days if someone asks
- Pictures of people shopping (feel the atmosphere is friendly in the shop)
- Good offers of the shop, special offers (free Wasa bread…)
- Pictures from some activities and events, information about the events, when, what…
- Do not trust people who like the page, but who leave the comments.

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- I have easy access of my computer and phone the all day, and easy to check Facebook page by phone especially, I don’t need to Google the information I want. Easy to access.
- I can find lots of different information in the Facebook page at the same time. (No need to going around and check different websites. Facebook page can have most information: address, phone number, opening hours, recent activities…)
- Can get something personal, only people liked it can have the information in the recent posts.
- I can see my friends who liked the page, and also see his/her comments and recommends on the supermarkets’ page. If it’s close friend, or people I trust, it will give lots of credits to the supermarket. (-Online word of mouth)
- Before going to buy groceries, I can check the Facebook page first, no need to check advertisement.
- Compare the supermarket’s offer before going to shopping.
- If I see there’s an activity in the Facebook page that it’s interesting, I will go.
- If I see there is an activity on the day I want go buy grocery, I will not go there on that day because there may be lots of people in shops and parking place will be crowded.
- After I Liked the page, the most recently posts included supermarkets’ posts; don’t need to search for it.
Consumer 7. Anup Mainali, 25, Kathmandu

Do you check supermarkets’ Facebook page?

Yes

(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Get supermarket website
- Something new, new product, service… attractive ones
- Special offers, cheaper products… (Shopping services, food package for parties)
- Some one can answer my question.
- Activities: Cycling, blood donation… I will participate and tell friends; this activities let me like the supermarket more
- Special offers for members

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- Already on Facebook, no need to open another search engine.
- Save time, money, FB is more convenient
- Easy to share with friends, can meet more new people and be able to contact with them
- I don’t read newspaper and watch TV every day, but I use Facebook every day.
- I can access information from Phone basically everywhere, and it’s convenience.
- Everything is on Facebook page, no need to going around and search for information.
Consumer 8. Qian Li, 28, Jönköping

Do you check supermarkets’ Facebook page?
Yes
(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Discounts, offers
- People’s comments, something good, something bad...If there is bad comment about something, I will pay attention when I go shopping there, or I will not go there. It depends
- Recipes, and check the ingredients
- Special offers for holidays, like Easter, they will have promotion for eggs and other Easter food.
- And also I check special offers before I’m planning big purchase.
- Ask for questions, also can discuss with other customers
- Activities if I’m interested in, I will join or tell friends, and I can try new food.
- Sometimes I can reply other consumers,
- Check different supermarkets, compare the offers and activities.

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- I can share with friends just by click.
- Can interact with supermarkets and other customers
- Compare different supermarkets’ offers
- Want to know more people
- The comments abstract lots of useful information
- It’s convenient, because I usually on Facebook
- Don’t know what to eat…
- Need to buy food anyway, so I check which one have better offers
- Easier, faster than email
- I get used to participate activities on Facebook, it is the direct contact with supermarket. I can get newest and true info, and give suggestions about what product they can import.
Consumer 9. Narmin Esmail, 20, Örebro

Do you check supermarkets’ Facebook page?

Yes

(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Discounts, offers
- Recipes, I like cooking food.
- Competition, they select a winner from the ones who shared the activities in Easter. I saw it because my friend shared it. If the prize were cool I would participate!
- Pictures of sales of my favorite food in special period, I will check different supermarkets’ page to see if they have better offer.
- Student free bus to Ica Maxi, because it’s far, I will go if I need to do big purchase, because I have more choices there.
- Can leave comments and share it with friends.
- Hockey team, I will give more points to them if they did some good activities.

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- I’m interested in food, and the info was on my Facebook page.
- I want to get the prize, so I shared it on Facebook. The required that.
- Information in Facebook is more specific, ingredients of the recipes I can get in this supermarket.
- Because I’m already on Facebook, I don’t have time to read newspaper, I don’t have a TV.
- These activities information only on Facebook.
- I can comment and get responses from Facebook; I can see their attitude through the answers. I also can give suggestions to the supermarket, some product/brand I wish to have in the store.
- I don’t need to search for it, it just showed on my homepage.
Consumer 10. Xue Feng, 20, Jönköping

Do you check supermarkets’ Facebook page?
Yes
(The impact of online social networks on consumers’ purchase decision)

What are you looking for on supermarkets’ Facebook page?

- Discounts, offers, I check Coop, Ica…
- Introductions about the companies, because I’m interested in Swedish culture, and the companies culture.
- Activities, I will join if it’s interested. And it let me know more about the company.
- Post about new product, I like to see if there’s some good food. If people comment under the post saying that it’s good quality, nourishing food, I would like to buy it. I will also like the supermarket more.
- Advertisement video, I like to watch the ads and read others’ comments and interact with them

(The reasons behind online social networks’ influences on consumers’ purchase decisions)

Why do you use Facebook for this information?

- I spend more time on Internet, Facebook.
- I can compare different offers, discounts, and different supermarket.
- No need to search it on Google/YouTube, I can see everything there.
Do you check supermarkets’ Facebook page?
Yes
(The impact of online social networks on consumers’ purchase decision)
What are you looking for on supermarkets’ Facebook page?
  ➔ Discounts, offers
  ➔ Recipes, I am vegetarian; I can find some good recipes here and ingredients in the recipe I can only get in Sweden.

(The reasons behind online social networks’ influences on consumers’ purchase decisions)
Why do you use Facebook for this information?
  ➔ Facebook is green, convenience; I access Internet at work a lot. I don’t like newspaper, because it damages the environment. And I don’t watch advertisement on TV.
  ➔ I liked the page; it just showed on my wall, I don’t need to search all the information.
  ➔ Facebook is an information source