

Research into the effectiveness of Social media marketing on E-commerce site visits and purchase completion, a combined study of American and Thai Social media users

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Abstract: This paper details the findings of a combined USA Thai Social media marketing study undertaken in the fall of 2018. The study explored the relationship between Social media tactics, channels, commerce site visits and actual purchases, as well as any differences based upon age, Nationality, and gender.

Keywords: Social media Marketing , Thailand research, USA research. SMM effectiveness.

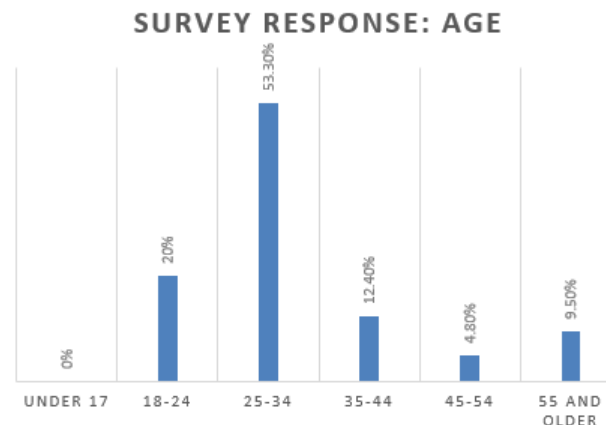
I. INTRODUCTION

Social media is frequently touted as the most important marketing channel, especially to reach younger market segments [1]. Some commentators indicate that digital advertising is now outstripping traditional advertising in terms of Global marketing spend [2], however there is a relative shortage of real independent research into the effectiveness of the Social media channel and the sub channels of Social media sites.

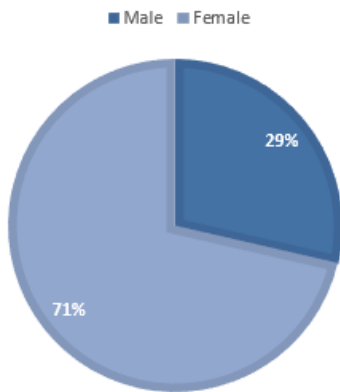
One hundred and five Thai and American Social media users were surveyed in the fall of 2018. This study then used causal analysis [3] to determine the effectiveness of Social media Marketing and SMM channels with some surprising results and the authors recommend reading the study especially Facebook advertisers..

II. DETAILED ANALYSIS

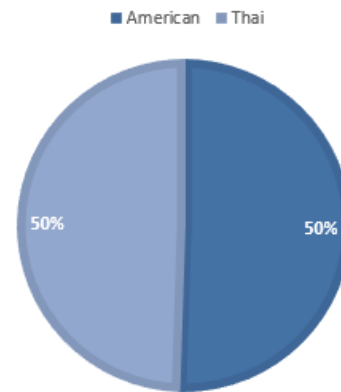
One hundred and five completed survey were analysed. The charts below indicate the breakdown of respondents by Age, gender and Nationality [4]



SURVEY RESPONSES: GENDER



SURVEY RESPONSES: NATIONALITY



Inferential Statistics

Reliability Statistics

Cronbach’s alpha indicated a reliable level of consistency in the survey questions so inferential analysis was undertaken [5]

Cronbach's Alpha	N of Items
.768	20

Test for Significant Relationships

Regression testing was undertaken to test for significant relationships. The confidence level used for this test was set to the standard level utilized in Social Sciences of 95% (P<0.05) [6].

Stepwise multiple linear regression analysis 1

Testing the relationships between social media marketing tactics (advertisements observed on social media sites, clicking on advertisements, online reviews) and frequency of visits to commerce sites. [7] The variable “Reading online reviews” was the only Social media marketing tactic where a statistical significant relationship was found with visiting commerce sites (P<0.05), further it can be estimated that reading online reviews explains 17.1% of commerce site visits (adjr2 = 0.171)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.908	.815		3.587	.001
	ReviewInfluence	.474	.100	.423	4.738	.000

a. Dependent Variable: EcommerceActivity

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.423 ^a	.179	.171	2.63908

Stepwise multiple linear regression analysis 2:

Channel effectiveness was tested by testing the relationship between time spent on specific social media sites and frequency of visits to commerce sites. Facebook, Twitter and Pintrest all had a significant influence on visit frequency, Facebook showing an inverse relationship indicating that seeing advertisements on Facebook is actually seen by participants as a discouragement to buy the product. However, all of these relationships are relatively weak with the combined influence only being estimated at 14% whether it discourages visits as in the case of Facebook or encourages as in the other Social media sites.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.400	.706		11.898	.000
	FacebookUse	-.251	.089	-.267	-2.810	.006
2	(Constant)	7.846	.717		10.951	.000
	FacebookUse	-.270	.087	-.287	-3.100	.002
	TwitterUse	.228	.085	.247	2.672	.009
3	(Constant)	7.103	.799		8.885	.000
	FacebookUse	-.234	.088	-.248	-2.661	.009
	TwitterUse	.201	.085	.218	2.363	.020
	PintrestUse	.194	.098	.187	1.987	.050

a. Dependent Variable: EcommerceActivity

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.267 ^a	.071	.062	2.80687
2	.363 ^b	.132	.115	2.72676
3	.406 ^c	.165	.140	2.68817

Stepwise Multiple Regression Analysis 3

To test for a statistically significant relationship between time spent on social media sites and completing purchases online. A statistically significant relationship was found between Facebook and Twitter usage and completing purchases. Again Facebook users had an inverse relationship indicated reduced purchases based on Facebook advertising. The relationships are weak however with a combined influence estimated at only 8.4%.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.846	.376		15.534	.000
	TwitterUse	.230	.086	.254	2.663	.009
2	(Constant)	7.108	.716		9.921	.000
	TwitterUse	.244	.085	.270	2.862	.005
	FacebookUse	-.179	.087	-.194	-2.058	.042

a. Dependent Variable: CompletePurchase

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.254 ^a	.064	.055	2.76893
2	.319 ^b	.102	.084	2.72643

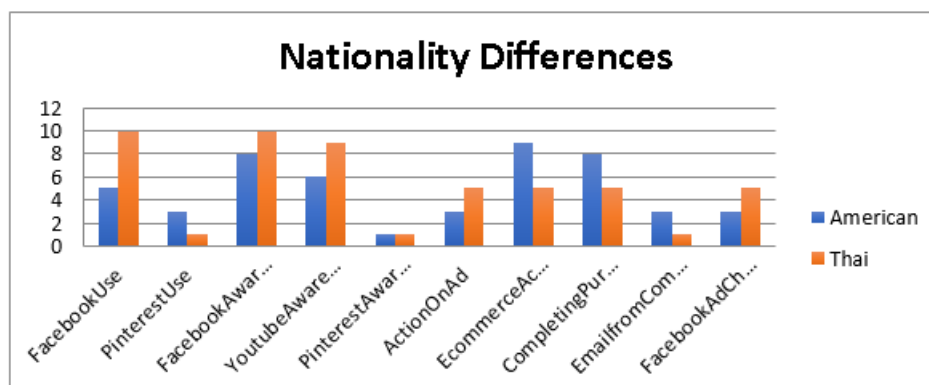
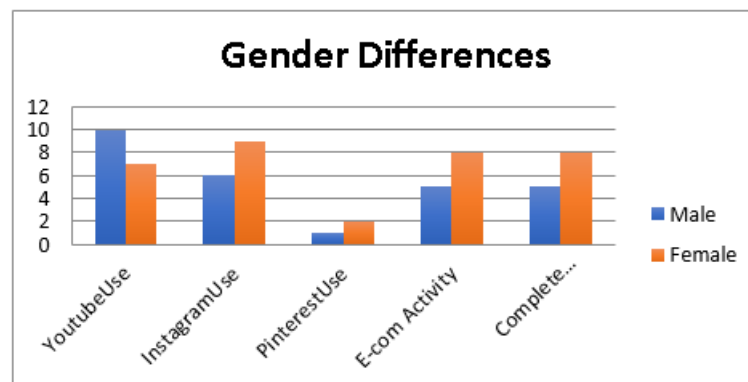
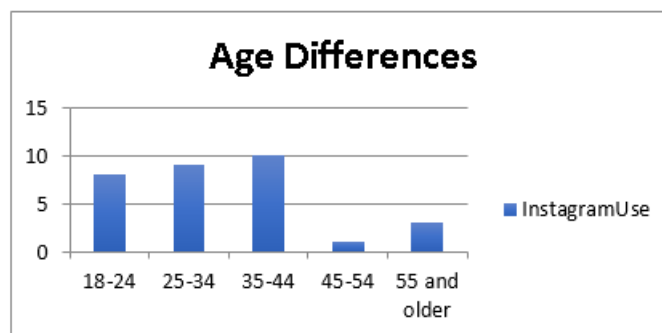
a. Predictors: (Constant), TwitterUse

b. Predictors: (Constant), TwitterUse, FacebookUse

Non-Parametric Tests for Statistically Significant Differences

Analysis [8] indicated that there were statistically significant differences in Instagram usage based on respondents age with younger age groups being more frequent users.. In the case of You tube, males are more frequent visitors.. Instagram, Pintrest, visiting commerce sites and purchasing from commerce all gathered a higher response from female respondents.

There were also statistically significant differences based on Nationality in Facebook usage, Pintrest usage, recollecting advertisements on Facebook, You tube use, Pintrest use, clicking on advertisements seen on social media sites, frequency of visits to commerce sites, purchasing on commerce sites, as well as preferences regarding email and Facebook advertisements as a channel, with Thai’s using Facebook and You tube more, but American’s visiting and purchasing from commerce sites more.



III. CONCLUSIONS

Whilst Social media Marketing tactics (with the exception of Facebook, which seems to be facing ad resistance) appear to drive traffic to Social media sites twitter appears to be the only site where a relationship exists between observing the products/services and completing purchases. This relationship however is relatively weak as being estimated at under 10%.

The inverse relationship between Facebook Social media marketing and both commerce site visits and ultimate purchase completion indicates more than just ad blindness may be the problem with marketing on Facebook , rather that there is an indication of an actual negative connotation between the intrusion of advertising and Facebook' s use, something that twitter seems to have avoided. The most effective tactic being online reviews of the product.

Other Social media sites were not found in this combined Thai American research to influence actual purchases.

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