

Evaluating The Impact Of Social Media Marketing On Consumer Buying Behavior In SMEs

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ABSTRACT

The emergence of social media has significantly changed how businesses engage with their customers, strongly affecting purchasing decisions and consumer behavior. This study investigates the role of social media marketing in shaping buying behavior among customers of small and medium-sized enterprises (SMEs) in China. Using a quantitative research methodology, the research examines the influence of platforms such as Instagram, YouTube, TikTok, and Facebook on five aspects of consumer purchasing behavior: overall buying patterns, habitual purchases, variety-seeking behavior, dissonance-reducing actions, and impulsive buying tendencies. Data collected through surveys from SME consumers were analyzed to evaluate how engagement with social media marketing campaigns impacts their purchasing decisions. The findings suggest that social media marketing significantly affects consumer perceptions, strengthens brand loyalty, and encourages purchase intentions. However, challenges such as information overload, doubts about online content credibility, and differing consumer preferences may limit the effectiveness of these strategies. This study contributes to the understanding of digital marketing for SMEs and offers actionable recommendations for SME owners to enhance their social media marketing approaches, improve consumer engagement, and support sustainable business growth.

Keywords: Social Media Marketing, Consumer Buying Behavior, SMEs, Digital Marketing, China

1. Introduction

The emergence of social media has dramatically changed the way businesses and consumers interact, redefining traditional market relationships. It now plays a pivotal role in shaping consumer behavior, making it essential for companies to develop marketing strategies that foster strong customer connections. Research indicates that platforms such as Instagram, YouTube, TikTok, and Facebook have a greater influence on consumer purchasing decisions than Twitter. As open digital spaces, social media enables the creation and sharing of varied user-generated content, giving consumers access to insights on products, services, personalities, and current trends. The widespread adoption of these technologies has altered the way consumers make purchasing choices, prompting managers to refine digital strategies to maintain competitiveness. Consumers' attitudes, perceptions, and buying behaviors continue to evolve in response to interactions on social media.

Social media differs from traditional Web 2.0 tools and content-sharing platforms in both technological and conceptual terms. Engagement online is facilitated through collaborative and interactive tools, including blogs, social networking sites, video-sharing platforms like YouTube, and virtual simulations. Active participation on major platforms such as Facebook, Instagram, TikTok, and Twitter has become essential for individuals navigating digital spaces.

Social media provides businesses with a low-cost, rapid means of communicating directly with consumers. Experts suggest that companies develop their own strategic approaches to leverage this digital trend [1]. Studies profiling online shoppers show that young adults aged 25 to 29 form a significant segment of online consumers [2]. Social media is now widely used for global communication, allowing individuals to share personal experiences that influence behaviors such as travel choices and buying decisions. These platforms also foster social connections, including interactions with previously unknown individuals, reflecting long-standing human social practices [3]. Advances in communication technologies have impacted the economic performance of developing countries both directly and indirectly [4]. Consumers are increasingly mobile, and their roles in digital interactions are more dynamic. User-generated content benefits from new advertising metrics, and social media offers a novel context for personal interactions. Businesses are keen to leverage these opportunities, while consumers have become central participants in digital networks [5].

Since early 2020, SMEs in China have encountered various challenges, including the economic consequences of COVID-19, rising raw material costs, and regulatory constraints. Despite these difficulties, government support highlights the importance of SMEs to the national economy. Chinese businesses are classified by ownership and size, with state-owned enterprises funded by the government and private enterprises owned individually. SMEs are generally private companies meeting government-defined thresholds for employees, revenue, and assets, which vary by industry. Small and micro enterprises report taxable income up to 3 million yuan (around US\$464,000) and employ no more than 300 staff. In 2019, SMEs represented 99.8% of all Chinese businesses, with micro enterprises accounting for 85.3%, small enterprises 13.2%, and medium enterprises 1.3%. Current statistics show 44 million micro and small enterprises and over 90 million self-employed individuals.

The proliferation of social networking platforms has significantly transformed communication strategies. While some view these platforms as a threat to traditional public relations (PR) and mainstream media, social media complements conventional PR, which remains essential for organizational success. PR and marketing agencies are adapting their strategies and business models to align with emerging social media trends [6].

Consumers hold diverse perspectives regarding social media, which enables authentic information exchange and reduces social and class barriers [7]. Social media tools expand market reach and enhance customer relationship management (CRM), contributing significantly to SME development. Research recommends that policymakers provide reliable internet access and implement e-commerce regulations to support SME technological adoption [8].

Existing literature highlights a research gap, as prior studies on social media marketing effectiveness typically focus on only one or two variables. This study addresses that gap by examining five key factors affecting consumer purchasing behavior through social media. The research aims to explore how social media impacts multiple aspects of consumer behavior among SME customers, including overall buying patterns, habitual purchases, variety-seeking behavior, dissonance-reducing behavior, and impulsive buying. Drawing from previous studies, this work establishes a theoretical foundation for understanding how social media marketing shapes consumer purchasing decisions in SMEs.

This study specifically investigates the relationship between social media marketing and consumer buying behavior among SME customers in China, using a quantitative research design. The analysis

focuses on how social media campaigns influence the five dimensions of consumer purchasing behavior identified above.

2. Literature Review

2.1 SMEs and Digital Marketing

Small and medium-sized enterprises (SMEs) are progressively integrating digital technologies into their operations to enhance competitiveness and strengthen engagement with customers. The rapid proliferation of internet-based platforms has prompted SMEs to transition from traditional marketing methods to digital approaches that are more cost-effective and flexible. Social media platforms, in particular, have become vital marketing channels, allowing SMEs to promote products, communicate directly with consumers, and obtain immediate feedback with relatively minimal expenditure. Compared with conventional advertising, digital marketing enables broader market reach, faster information dissemination, and more opportunities for interactive consumer engagement.

2.2 Social Media Marketing

Social media marketing refers to the strategic use of digital platforms—such as Facebook, Instagram, TikTok, and YouTube—to promote products, services, and brand messages while shaping consumer perceptions and purchase decisions. The rise of social media has transformed business communication by enabling direct and interactive engagement between companies and their customers. Unlike traditional one-way communication channels, social media encourages active participation, allowing users to share content, comment on promotions, provide feedback, and contribute personal experiences.

In the context of SMEs, typical social media marketing tactics include influencer partnerships, user-generated content, live streaming events, and targeted advertising. These strategies help businesses increase brand awareness, foster consumer trust, and boost purchase intentions by delivering more tailored and engaging interactions.

2.3 Consumer Buying Behaviour

Consumer buying behaviour encompasses the processes and decisions individuals go through when recognizing needs, evaluating options, making purchases, and reflecting on their choices. In online and digital marketplaces, these behaviours are increasingly shaped by social interactions, reviews, marketing campaigns, and brand engagement on social media platforms. According to Kotler and Keller [9], consumer purchasing patterns can be classified into five types: complex buying, habitual buying, variety-seeking, dissonance-reducing, and impulsive buying behaviour. These categories highlight how consumer responses differ depending on factors such as product involvement, perceived risk, and the availability of information.

2.4 Problem Statement and Research Gap

The proliferation of social networking technologies has significantly changed how businesses communicate with consumers. While traditional public relations continues to be important, social media now plays a central role in how firms engage customers and manage market relationships. SMEs increasingly rely on digital platforms to enhance market reach, strengthen customer relationships, and expand promotional capabilities.

Consumer responses differ based on platform characteristics and communication styles, as social media facilitates rapid information flow across social and demographic boundaries. Prior research has often examined social media effectiveness using only a few variables, focusing on one or two marketing aspects. However, there is limited empirical work investigating the combined effect of multiple social media marketing elements on consumer buying behaviour in SMEs.

Although some studies have explored digital purchase behaviour, they have rarely examined how several social media marketing tools collectively influence various forms of consumer buying behaviour among SME customers in China. This study seeks to address this gap by analyzing multiple social media marketing dimensions within a comprehensive framework.

2.5 Conceptual Framework

This study draws on three behavioural theories: the Theory of Planned Behavior (TPB) [10], the Stimulus–Organism–Response (SOR) model [11], and the Uses and Gratifications Theory (UGT) [12]. These frameworks help explain how external digital marketing stimuli influence internal psychological processes, which in turn shape consumer purchasing decisions.

The independent variable, social media marketing, includes four dimensions: influencer marketing, user-generated content, live streaming, and targeted advertisements. These stimuli are expected to impact consumers through mediating psychological factors, such as brand attitudes, subjective norms, perceived behavioural control, trust, emotional engagement, and gratification motives.

Platform usage is treated as a moderating factor, recognizing that the effectiveness of social media marketing may vary depending on the platform, such as Douyin, Xiaohongshu, WeChat, or Weibo.

The dependent variable, consumer buying behaviour, is examined across five categories: complex buying, habitual buying, variety-seeking, dissonance-reducing, and impulsive buying behaviour.

2.6 Hypotheses Development

Based on the conceptual model, the study proposes the following hypotheses:

- **H1:** Social media marketing positively affects consumers' cognitive and emotional responses.
- **H2:** Trust and emotional engagement mediate the relationship between social media marketing and consumer buying behaviour.
- **H3:** Gratification motives arising from social media marketing positively influence internal psychological responses.
- **H4:** Social media marketing shapes gratification motives, which subsequently affect attitudes and engagement.
- **H5:** Subjective norms and perceived behavioural control moderate the impact of social media marketing on purchase intentions.
- **H6:** Internal psychological responses mediate the link between social media marketing and complex buying behaviour.
- **H7:** Internal psychological responses mediate the relationship between social media marketing and habitual, variety-seeking, and dissonance-reducing buying behaviour.
- **H8:** Emotional engagement increases the likelihood of impulsive buying behaviour.

- **H9:** Platform type moderates the association between internal psychological responses and consumer buying behaviour.
- **H10:** Platform type moderates the effect of specific social media marketing dimensions, particularly live streaming, on impulsive buying behaviour.

3. Materials and Method

This study adopts a correlational research design, a widely used quantitative approach for examining the strength and direction of relationships between variables. As described by C. R. Kothari [13], correlational research is suitable when the aim is to analyze the association among measurable variables using statistical methods. In this approach, quantitative data are collected and analyzed to test the study's hypotheses. This design is appropriate for the current research because it seeks to explore the relationship between various aspects of social media marketing and consumer buying behaviour among individuals exposed to SME digital marketing. It is important to note that while this design can reveal associations, it cannot establish causation.

The research was conducted in Malaysia, targeting consumers aged 12 to 27 years. This age range was selected because younger individuals are highly active on digital platforms and are frequently exposed to online marketing campaigns by SMEs. Previous studies indicate that this demographic responds strongly to online advertisements, user-generated content, and interactive brand communications when making purchase decisions.

The target population consisted of individuals within this age group who actively use social media platforms such as Instagram, TikTok, and Facebook, and who have encountered marketing content from SMEs. A non-probability sampling technique, specifically convenience sampling, was applied to select respondents based on accessibility, availability, and willingness to participate. This method is commonly used in behavioural research involving online participants recruited through digital channels.

The required sample size was calculated using Yamane's [14] formula:

$$n = \frac{N}{1 + Ne^2}$$

where n represents the sample size, N is the total population, and e is the margin of error set at 0.05. To enhance response adequacy and reduce the impact of non-response, additional questionnaires were distributed beyond the minimum sample requirement.

Data were collected through a structured, self-administered questionnaire distributed online. The instrument included sections covering demographic information, exposure to social media marketing, engagement with content, and consumer purchasing behaviour. Participants were provided with clear instructions, and completing the survey was voluntary.

Following data collection, all responses were screened for completeness and consistency. Questionnaires with significant missing data were excluded from the analysis. The valid responses were coded and entered into IBM SPSS Statistics Version 25 [15] for processing. Descriptive statistics, such as frequencies, percentages, means, and standard deviations, were used to summarize respondent demographics and study variables. Inferential statistical tests were then conducted to

examine the relationships between social media marketing dimensions and consumer buying behaviour.

4. Results and Discussion

This chapter presents the anticipated outcomes of the study, based on the research objectives, conceptual framework, and prior literature. The study aims to examine the influence of social media marketing on consumer purchasing behavior among small and medium-sized enterprises (SMEs) in China. By analyzing survey data collected from consumers who engage with SME social media platforms, the research expects to uncover how different social media marketing strategies affect various forms of consumer buying behavior.

The study anticipates that social media marketing will have a significant impact on consumer purchasing patterns. Platforms including Instagram, YouTube, TikTok, and Facebook are expected to play a key role in shaping consumer perceptions of SME products and services. Consumers who frequently interact with marketing content on these platforms are likely to demonstrate stronger purchase intentions and greater engagement with the brand. By allowing SMEs to communicate directly with their audience, share promotional materials, and enhance brand visibility, social media marketing is expected to positively influence consumers' buying decisions.

Impulsive buying behavior is another area where social media is expected to have a notable impact. Visually engaging content, including product demonstrations, short-form videos, influencer endorsements, and time-limited offers, may prompt consumers to make quick purchasing decisions. Platforms with a focus on visual and interactive content, particularly TikTok and Instagram, are likely to have a stronger effect on impulsive buying due to their immersive user experiences.

The study also anticipates that social media marketing will influence habitual buying behavior. Consumers who repeatedly encounter brand promotions, advertisements, or product suggestions via social media may develop routine purchasing patterns. Consistent exposure to marketing content can increase familiarity with SME brands, encouraging repeated purchases and fostering stronger brand loyalty.

Variety-seeking behavior is another expected outcome. Social media exposes consumers to a diverse range of products and brands, making it easier for them to explore new options. As a result, consumers may be more willing to try different products promoted through social media campaigns. SMEs that regularly update their content and introduce new product variations are likely to benefit from this consumer tendency toward variety.

Dissonance-reducing buying behavior may also be influenced by social media marketing. Consumers often seek reassurance after making purchases, and online reviews, testimonials, and influencer recommendations can enhance confidence in their buying decisions. Positive feedback from other users may reduce uncertainty and strengthen trust in SME offerings.

Despite these anticipated advantages, several challenges may affect the effectiveness of social media marketing. Content oversaturation is one such challenge, where consumers are bombarded with excessive marketing messages, potentially diminishing the impact of promotional efforts. Concerns regarding product authenticity, misleading advertisements, and a lack of trust in online information may also influence consumer perceptions and engagement.

Overall, the anticipated findings suggest that social media marketing plays a critical role in influencing consumer buying behavior among SME customers. The success of these marketing

efforts, however, may depend on the quality of content, the level of consumer trust, and the capacity of SMEs to engage audiences effectively through digital platforms.

5. Conclusion

This study aims to evaluate the impact of social media marketing on consumer buying behavior among SMEs in China. With the increasing use of digital platforms, social media has become an important marketing tool that enables businesses to connect with consumers and influence purchasing decisions.

Based on the anticipated findings, social media marketing is expected to significantly influence various dimensions of consumer buying behavior, including impulsive buying, habitual buying, variety-seeking behavior, and dissonance-reducing behavior. Social media platforms allow SMEs to promote their products, build brand awareness, and interact directly with consumers, which may enhance customer engagement and purchasing intentions.

The anticipated results also suggest that visually appealing content, influencer marketing, and frequent product promotions may play an important role in encouraging consumer purchases. Consumers who actively engage with SME social media content may develop stronger brand loyalty and more frequent purchasing behaviors.

However, the study is also expected to highlight certain challenges associated with social media marketing, such as digital content overload and consumer trust concerns. These challenges may affect how consumers respond to online marketing messages and influence their purchasing decisions.

Overall, this study is expected to contribute to the understanding of how social media marketing strategies influence consumer buying behavior in the SME sector. The findings may provide useful insights for SME owners seeking to improve their digital marketing strategies and strengthen their online presence. By developing more engaging and trustworthy social media marketing campaigns, SMEs may be able to enhance consumer relationships, increase sales, and achieve sustainable business growth.

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