

Chapter 15

A Look at the New Online Consumer Behavior on Social Media Platforms

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ABSTRACT

Technological advances have caused great business changes. In this new business environment, the internet has become an indispensable technology tool in the creation of new business models, based on the exchange relations between customers/suppliers/distributors/partners, with a significant increase in online purchasing transactions. This virtual environment has provided the development of e-commerce and efficiency gains and influences changes in consumer habits, thus changing consumer behavior. The online purchase presents an important change in consumer behavior; thus, the understanding of online consumer behavior is essential to understand the impact of this behavior on business. This chapter follows a systematic analysis of the literature with a qualitative approach to online consumer behavior in the last 5 years (2015-2020) in order to verify research topics and development patterns. The aim is to identify trends in online consumer behavior and recognize research gaps by providing avenues for further research into online consumer behavior.

INTRODUCTION

The continuous changes in technology, communication, marketing, and information have altered consumers' purchase of specific products and services. The internet has become an indispensable source of information used to increase awareness of different brands and their products and services. In addition, the availability of personal devices, such as laptops, smartphones, smartwatches, and tablets that are permanently connected to the internet has changed consumer behaviors. Dumitrescu et al. (2015) define consumer behavior as the process that leads to the satisfaction of consumer needs by enabling people to choose, buy, use, and dispose of products and services. It involves a dynamic interaction of effect and

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environment, cognition, and behavior in which people exchange various aspects of their lives. The rapid growth of the internet is depicted by the increase in online navigation from 1 million to 3 billion within 20 years and the development of online shopping that reached \$370 billion in 2017 in the United States alone (Richard and Chebat, 2016). However, online consumer habits are dependent on various factors, including shopping experiences, trust, attitudes, website quality, brand reputation, and cognitive assessments (Kim and Ammeter, 2018). Understanding these factors can help organizations evaluate consumers' actual online behaviors compared with behavioral intention to maximize the potential of e-commerce.

Exposure to technology, consumer empowerment, and active participation in decision-making are among the factors influencing online consumer behaviors. Unlike past generations, current generations are exposed to various information sources such as social media platforms that allow user-generated content that reflects individual opinions, expectations, and preferences. Therefore, consumers' status has changed continuously from passive recipients of products and services to active contributors to the production process (Richard and Chebat, 2016). Unlike traditional marketing, where consumer behavior depended on the physical environment, modern purchasing decisions depend on consumers' devices to interact and online presentation and sale of products and services. For instance, all the net generation/millennials are estimated to begin using computers between the age of 16 and 18, making e-commerce a comfortable and normal buying channel (Kim and Ammeter, 2018). Millennials can potentially control current business practices and shape the corporate world due to their high numbers, knowledge, and skills to use the internet and digital devices. Martinez-Ruiz and Moser (2019) explain that this condition can be described using psychological and social networking theories, where consumer behavior is influenced by relationships developed with firms over the internet. This condition changes the relationship from physical to virtual environments, where an assessment of beliefs, attitudes, and feelings define online experiences. New business models adopted by business organizations focus on satisfying consumer needs by evaluating consumer behaviors demonstrated in physical and virtual spheres. This research explores the emerging consumer behavior trends and their implications on businesses to develop knowledge in this field and identify research gaps that can help optimize the new opportunities—exploring consumer behavior in the context of social media and purchasing decisions affected by social media.

The article is structured as follows: first, the methodological approach, where the process of systematic literature review, the screening methodology, is presented. Then, in the publication distribution section, the publications used in the systematic literature review are analyzed. Next, in the following sections, the theoretical perspective is presented analyzing the consumer characteristics of online consumer behavior, the influence of social media, the use of interactive media to influence online consumer behavior, analysis of perceived risks and their impact on online consumer behavior, interpersonal influence, trust and privacy and security concerns associated with online consumption, and finally the conclusions are presented.

METHODOLOGICAL APPROACH

A systematic review of the literature was conducted to collect relevant data on online consumer behaviors. Review of literature provides a theoretical background for subsequent research, answers practical research questions by evaluating existing information, and develops knowledge on the topic of interest. This paper utilizes a stand-alone literature review to summarize and access current knowledge on online consumer behavior as an original and valuable work of research (Rosário, 2021, Rosário et al., 2021; Rosário and Cuz, 2019; Sacavém et al., 2019). Okoli (2015) defines a stand-alone literature review as a systematic

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