



# **Influence of Social Media Marketing on Consumer Purchase Decision Making in Four Wheeler Industry: An Empirical Study in Delhi-NCR**

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## **Abstract**

The purpose of this study is to analyze the factors which influence the consumers to purchase cars in different segments and also the role of social media marketing and its relationship between these factors and the demographic variables.

## **Keywords**

Social media marketing, consumer purchase decision making, automobile sector, four wheeler industry.

## **Introduction**

In India due to demographic shift in population and rising income of middle and upper class, there are dramatic changes in automobile consumer buying preference. Consumers are no longer satisfied with just one kind of automobile option offered by the manufactures which was the case just few year ago. With the advancement of technology and spread of social media, they are exposed to a wide variety of automobile options

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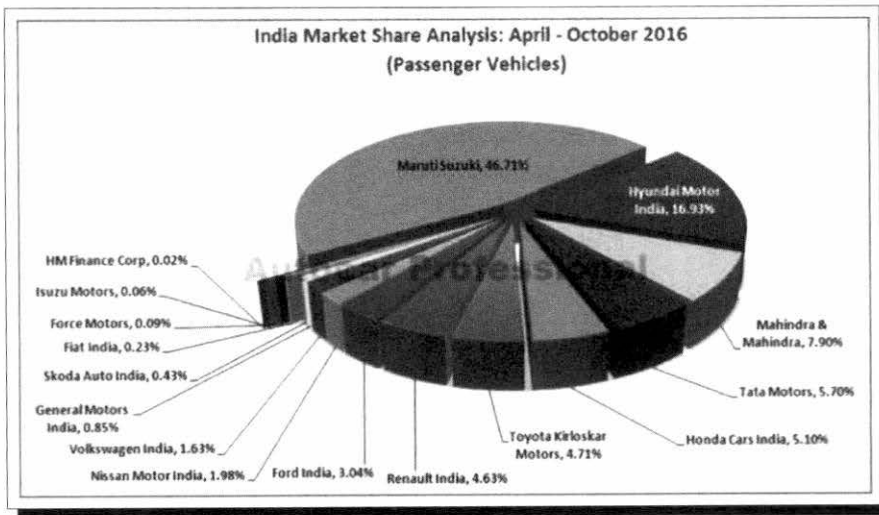
never heard earlier. Also number of Indian as well as foreign manufactures have brought a lot much option to the Indian automobile consumers. This has resulting in fierce competition and every automobile manufactures trying to get the customer attention and using all sort of medium to connect with customers. There comes the role of social media and almost every manufactures uses one or other kind of social media platform to get connected and attract the potential buyers.

The automobile industry will play out differently in different markets segments such as emerging and mature markets. On the basis of markets, consumers will get segmented distinctly. Demographically and economically, the Indian automotive industry is in good position and seems to grow and meet domestic demands while capturing export opportunities. This is due to rising prosperity, easier access to finance and increasing affordability as stated in KPMG report (2010).

The Automobile industry has witnessed robust growth in last year 2016. Tata Motors witnessed highest sales in the past four years with a growth of 28% in October 2016. Tata Tiago and Tata Zest both continued to receive a strong response and the retails sail were the highest in October 2016 ever since their launch, the festive season has further added strong growth impetus for Tata Motors (India Sales Analysis: October 2016)

Mahindra & Mahindra Motors also witnessed similar trends. They have achieved a 28% growth in exports. Their top performers were TUV300, Scorpio and Bolero. The main reason for their good performance are launch of new vehicle, normal monsoon, higher rural demand and festive season. They have also added electric vehicle. They had overall growth of 9% and in Utility Vehicles of growth of 12% (India Sales Analysis: October 2016). The automotive industry have witnessed the impact of a good monsoon, Seventh Pay Commission and other macroeconomic indicators like inflation. This has brought cheers for the automotive industry said Anurag Mehrotra, (Marketing, Sales & Service), Ford India-2016 (India Sales Analysis: October 2016). Automobile industry has the potential to contribute up to 12 % of India's GDP, create 65 million additional jobs by 2026 (Automobile Industry India, 2017)

A report published by ICRA in October 2016 states that - Indian passengers Vehicle industry had shown volume growth of 17.7% and recorded its fastest ever quarterly volume growth in the last five fiscals. The passenger car segment, which constitutes 69 % of the total industry volume reported healthy growth of 11.3% in second quarter of FY2016 after two consecutive quarters of decline volume. Strong demand for MSIL's Baleno, TML Tiago and Renault Kwid supported incremental growth in hatchback segment. (ICRA report 2016)



**Figure 1.** India Market Share of Passenger Vehicles (April-October 2016)

(Source: <http://www.autocarpro.in/analysis-sales/india-sales-analysis-october-2016-22352>)

In the last one decade, the rapid growth of technology has enabled customers with a virtual environment. The social media has become the most important tool used by consumers to search information about product during their purchase. The business firms are using different ways for engagement with the consumers (Kaplan and Haenlein, 2010). Social media such as Facebook, Twitter, YouTube and LinkedIn are platform used by these firms which resulted in lower cost of acquisition and targeting of prospective customers.

There are multiple factors which affect consumer buying behavior such as demographic factors, psychological factors, economic factors, social factors, geographic factors, political factors, technological factors etc. In this, scenario automobile manufacturers are using social media for understanding the psychology of customer how they make purchase decision. It is imperative for the company to analyze consumer's needs and requirements so as to enhance market presence, this can be achieved only through market research of target customers.

In Indian automobile industry, four wheelers like car have played a noteworthy role in boosting economy. This is due to the advancement of technology, invasion of foreign cars manufacturers, emergence of globalization and liberalization, number of brands-variants, different communication strategy and the changing dynamics of Indian consumers. Therefore, it is imperative for the auto manufacturers to understand the customer's preference and their purchasing process. In order to register brand in the consumers mind, marketers use new age marketing strategies to influence customer.

## Literature Review

Majority of car purchase is based on the social and psychological involvement. A car being the second most valuable purchase by Indian consumer after house, it involves critical analysis and complex buying process. All the marketing literature support that consumer normally undergo five stages for making a purchase (Kotler 2006) These stages are:

- Problem recognition,
- Information search,
- Evaluation of alternatives,
- Purchase decision, and
- Post purchase decision.

The purchase of car and choice of brand is influenced by multiple factors, however customers tend to give more importance to quality, technology, utility and fuel efficiency(Chidambaram & Alfred 2007). Liu Dongan & Bai Xuan (2008) revealed in their study that the consumers prefer comfort and safety as the most significant over price. Mousavi(2009) found that the individual factors like gender, income, occupation and its changes has more influence than any other variables under study. Monga & Choudhary (2012) found that consumers tend to relate brand personality and endorsers image by reacting to it and also forms opinion and perception about the car. Sagar & Chandra, (2004) identified that there are multiple factors which are driving the car industry in India. The identified factors are vicious competition, demanding consumer, policies of the government and strategies adopted by various sellers.

Sharma A (2010), found a number of buyers to do initial research on internet, before making a purchase. It is said that out of ten, four in case of new car buyer and three in case of used car buyers, use internet for initial search on internet Similar finding are there of a study conducted by Google. Verma & Rathore (2013) studied luxury car segment and found that demographic factors, technological factors, status symbol, taxation policies, socio cultural factors drives this segment.

Social media has developed a new marketing phenomenon. Many organisation has understood the importance of using social media for promoting their products and services. In fact it has become an important tool to create awareness and to reach out to their prospective customers.Social media can also be used for marketing communication, public relations and promoting their products. YouTube, Facebook, Twitter, LinkedIn and blogs are important social media tools generally used by the companies for this purpose (Tanuri, 2010).

Generally it is found that after purchase of product or use of a service, many user express their opinion or satisfaction through different means such as posting on social

media site which leads to word of mouth and spread like viral fever. It may be in the form of blogs, discussion forums or post (Filho & Tan, 2009, Henning-Thurau et al., 2004). All these discussions are user generated and has higher credibility than the usual methods of promotion and create positive or negative impact on firm product or services. (Blackshaw and Nazzaro, 2006). Consumers very often use online tools to connect to their fellow members to acquire information about the product which they intend to buy. This has gained importance in the virtual world resulting in the formation of virtual brand community and its participation in consumer buying behavior.

A new trend in automobile sector is witnessed that share of female in purchase of car has increased three fold (Jacob and Khan 2010). It is also observed that consumer rely more on the opinion / information given by their peers, friends as compare to official promotion of companies (Harrison-Walker, 2001). Ford Automobile company launched a campaign "Ford Fiesta Movement" on social media sites such as Facebook, Twitter, Myspace and You-Tube to create awareness which generated around 6,40,000 views online (Dilworth, 2009)..

Kwon & Wen (2010) found in his study that women engagement in social networking sites is more than men. Jacob and Khan (2010) in their study revealed that women has significant influence in the purchase decision making of car than men. Lewis & Rosen (2010) found that the degree of education has an impact and affects individual understanding towards social media. Blackshaw & Nazzaro (2006) found that the people who highly educated tends to extract information from internet or social media for pre-shopping information about goods and services. It was found by John & Pragadeeswaran (2013) that demographic factors had significant influence on the purchase decision making of hatch back cars. These factors include income status, education gender and age of the customers. Mousavi (2009) study also support these findings. Venkateswaran, & Clement (2013) in their study found that the consumers who are the users of social networking sites have positive impact on the car buying. It is also observed that major automobiles companies such as Tata, Maruti-Suzuki, Volkswagen, Honda and Hyundai are using social media and other medium such as blogs, their own website, facebook, google and twitter. Each buyers extract information from internet before buying a car and checks product reviews from various social websites and blogs to reinforce his purchase decision making.

The role of business organization and consumer has reversed in terms of communication from each other. Now consumers wants that business organization should listen to them what they want and not the other way round. Social media has played an important role in this change of attitude of consumers. Business organizations have to find innovative ways to deal with this. (Kietzmann et al., 2011). Consumer decisions are strongly influenced by the people whom they trust. Many online buyers wait for the opinion from their networks before they buy the product. E-commerce established

companies pursue the customers to write reviews or rating the product or services etc which the organisation uses as feedback to improve their products or services. Similarly Kim & Lee (2011), identified that the friends have significant impact on the user behavior in social networks and they found that sales and revenue are influenced by social media reviews. Therefore every business organisation should take care of review of customers in different social media websites.

## Objectives

- The role of Social media marketing and how it impact consumer purchase decision for automobiles.
- To analyze the factors that influence consumer in their purchase.
- To analyze the consumer preference regarding the mode of payment.
- To study the brand preference of consumers.

## Hypothesis

- Ho1: There is no significant difference in importance assigned to various factors influencing consumer purchase decision between different age groups.
- Ho2: There is no significant difference in importance assigned to various factors influencing consumer purchase decision between male and female.
- Ho3: There is no significant difference in importance assigned to various factors influencing consumer purchase decision between different occupation groups.
- Ho4: There is no significant difference in importance assigned to various factors influencing consumer purchase decision between different income groups.
- Ho5: There is no significant difference in importance assigned to various factors influencing consumer purchase decision between different education groups.

## Methodology

The study was carried out in Delhi and NCR. Population of study is customers in this region. Individual customer of automobile companies is sampling unit. Primary data was collected from the customers who are tech savvy and are the users of social media and either have purchased car in last six month or they intend to buy in the near future. Convenience and Judgmental sampling methods were used for respondent's selection. The sample can be considered to be representative of the population. Convenience and Judgmental sampling method was used to select the respondents, only those respondents were selected who are the users of Social media and have either purchased a four wheelers in last six month or intent to purchase one in near future.

Primary data was collected from 272 customers through survey methods by mean of face to face interview. The questionnaire was developed and pretested with 30 respondents similar to final respondents.

The primary data was checked for reliability using Cronbach's Alpha Method. All the test were carried out using SPSS 21 version. ANOVA was used to test hypothesis and find significant variation in responses if any. Factor analysis was used to identify the factors which determine the consumer buying decision. MSA and Sphericity test was done to find whether data is suitable for factor analysis.

## Result and Discussion

The following is the breakup of analysis:

- (i) Respondents profile: Table 1
- (ii) Preference and Profile on Social Media: Table 2 to 7
- (iii) Cronbach's Alpha Score: Table 8
- (iv) Data of Factor Analysis: Table 9 to 16
- (v) Computation of ANOVA: Table 17

**Table 1.** Respondents profile

Variable	Characteristics	Frequency	Percent
Age	< 30 Years	114	41.9
	31-35	73	26.8
	36-40	37	13.6
	> 40 Years	48	17.6
Gender	Male	142	52.2
	Female	132	47.8
Education qualification	HSC	24	8.81
	Graduate	110	40.45
	Post Graduate	79	29.04
	Professional	49	18.0
	Others	10	3.7
Occupation	Govt. Employee	44	16.2
	Private Employee	132	48.5
	Business	55	20.2
	Professional	24	8.8
	Others	17	6.2
Yearly Income	< 5 lakhs	33	12.1
	5-10 lakhs	141	51.8
	10-20	72	26.5
	20-30	22	8.1
	>30lakhs	4	1.5

Source: Primary data collected & compiled by authors

The respondents profile indicate that majority of respondents (41.9 %) are below 30 years of age followed by 36-40years 26.8% and above 40 years are 17.6%. 52.2% respondents were males and 41.8% were females. The data indicate that 90% of the respondents are either graduate or possess higher degree and that 51.8% of respondents are in income group between 5-10 lakhs whereas 1.5% of the respondents belonging to the highest income group of above 30 lakhs. This is ideal demographic profile to carry out research to find if social media marketing plays any role in buying decision in automobile industry.

**Table 2.** Consumers Preference of Car Brand

Car Brand	Maruti Suzuki	Hyundai	Tata	Honda	Volkswagen	Toyota	Renault	M&M	Others
% of respondents	41.9	19.1	5.5	12.9	8.8	5.5	3.3	1.1	1.8

Source: Primary data collected & compiled by authors

Maruti Suzuki is the most preferred brand of respondents with 41.9% of respondents preferring it, followed by 19.1% for Hyundai and 12.9% for Honda Cars. Remaining brands are far off the race.

**Table 3.** Preferred mode of Payment

Preferred mode of Payment	Finance/ EMI	Cash Down payment
Percentage of Respondents	62.5	37.5

Source: Primary data collected & compiled by authors

Majority of the respondents prefer EMI/Finance as their mode of purchase with 62.5% respondents preferring finance mode over cash down payment method.

**Table 4.** Daily Uses of Internet

Time	1-1.5 Hrs	1.5-3 Hrs	More than 3 Hrs	Occasionally
% of respondents	26.8	33.8	37.5	1.8

Source: Primary data collected & compiled by authors

The internet usage by the respondents on daily basis is very good with majority (37.5%) use internet for more than 3 hours/day followed by 33.8% respondents who use internet for 1.5-3 hours/day. This is good indication in the terms of more and more people using internet and hence more scope for using social media for promotion.

**Table 5.** Period of uses of Social Media

Time period of Usage of Social Networking Sites	< 6months	6 mths - 1 year	1 years to 3 year	> 3 years
% of respondents	4	4.5	24	68

Source: Primary data collected & compiled by authors



The majority of the respondents (68%) have been using social media for more than three year followed by 24 % respondents who have been using social media for more than one year to three years This is fairly good uses of social media and user understand how to use it for different purposes.

**Table 6.** Social Media Type

Social Media used	Face book	Twitter	Google+	LinkedIn	Any other
% of respondents	85	64	35	54	23

Source: Primary data collected & compiled by authors

The social media sites usage is lead by Face book as 85% are users of Face book, followed by Twitter with 64% and LinkedIn with 54% so we can say that Face book is a good platform for advertising the brands.

**Table 7.** Impact of Social Media Promotion on Purchase Decision

Promotion of brand in SNS	Face book	Twitter	Google+	LinkedIn	You Tube	Other
% of respondents	83%	4.7	5	6.5	45	3

Source: Primary data collected & compiled by authors

The data reveals that the advertisement on Face book and You tube about the brand creates impact on purchase decision and it also create stimulus towards acquiring information and influences decision.

**Table 8.** Cronbach's Alpha

Reliability Score	No. of statements
.786	36

Source: Primary data collected & compiled by authors

Table 8 reflects the result of reliability - Cronbach's Alpha Value. Nunnally's (1978) gave a thumb rule that any score above 0.7 is reliable. The score for the present study is 0.786 which is above the acceptance level and hence it show the reliability of the responses collected during the survey.

## Factor Analysis

Factor analysis of data can be carried out if the data meets the requirements of test. For finding whether data is the suitable or not, Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMSA) and Bartlett's Test of Sphericity are to be carried out (Hair et al, 2006). Result of these tests are given in the table-9.

**Table 9.** KMO and Bartlett's Test for Sphericity

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.799
Bartlett's Test of Sphericity	Approx. Chi-Square	1.512E3
	df	253
	Sig.	.000

Source: Primary data collected & compiled by authors

The results given in table 9 indicate that the data is suitable for factor analysis. In factor analysis 23 statements describe various factors items which were considered to be important in influencing consumer buying decision were subjected to factor analysis using the principal component method. Varimax rotation was performed to achieve meaningful factor solution. A total of 7 factors were found accounting for with 68.36% of total cumulative variance. This means that 68.36 percent of consumer buying decision is influenced by these 7 factors. All these 7 factors have Eigen value greater than 1.

**Table 10.** Factor 1: Purchase Influence

Attributes	Statements	Factor Loading	% of variance explained
A5	Advertisement quality on these websites influences my purchase intention	0.735	14.23
A6	Advertisements on Social media are more interactive as compare to traditional advertising and influence my purchasing decision	0.608	
A7	Advertisements quality on these social networking sites influence my purchasing decision	0.778	
A10	Promotional offers on social networking sites find quick response.	0.551	

Source: Primary data collected & compiled by authors.

The above table shows four attributes with positive loadings indicating that these variables share most of their variances between them and there by co-vary with each other. The factor identified is 'Purchase Influence' which means that respondents look the quality of advertisement in the SNS (social networking sites) from different social media like Face book, Twitter, Google+ etc as sources to satisfy their informational needs and also feel comfortable in making purchase decision about a product like car. This means that consumer buying behavior is influenced by the Social Media from where information is disseminated. Hence the car manufacturer may take care of quality of advertisement to influence the consumer about the brand and should communicate to generate trust and lead.

**Table 11.** Factor 2: Decision Making Influencer

Attributes	Statements	Factor Loading	% of variance explained
A18	I agree that feedback (reviews/comments/ post) on social media affect my purchase	0.497	22.72
A20	Information on social media has higher credibility as compare to mass media as company's do not have any control over it	0.42	
A21	Social media has helped me to feel comfortable in making purchasing decisions.	0.715	
A22	If a brand/ organisation is present on social networking site, this influences my decision making.	0.791	
A23	Overall I feel that Social Media has helped me in making correct buying decision by providing the relevant information	0.556	

Source: Primary data collected & compiled by authors.

The second factor combines 5 statements which are put together in the category of 'Decision making influencer'. According to this factor reviews/comments/post – given by the users & buyers on social media are the primary factors which signifies that people seek lot of information from friends, online review, expert opinion before making purchase decision for such a high involvement product like car. The E-WOM (Electronic word of mouth) shows very high credibility which signifies that respondents get highly influenced by the opinions posted by people. This relevant psychological process reinforces their decision.

**Table 12.** Factor 3: Information Seeker

Attributes	Statements	Factor Loading	% of variance explained
A1	On social media searching of information is easier as compare to mass media	0.73	10.66
A2	Before making purchase the information related to product is searched on social media	0.747	
A3	To find opinions about product/services social media is used by me.	0.76	

Source: Primary data collected & compiled by authors.

The factor 3 talks about the sources from where the respondents seek information and opinion about the car before a purchase decision is made and hence labeled as 'Information seeker'

**Table 13.** Factor 4: Virtual Community Effect

Attributes	Statements	Factor Loading	% of variance explained
A8	Before trying a new product or service I generally see user reviews on social media/ blogs etc and this influence my decision	0.491	6.145
A14	In case of uncertainties regarding a purchase, I rely on information available on social media		
A15	Availability of information on social media sites, my brand purchase preference is changed	0.65	
A16	After purchase I generally share reviews, comment, etc. on social media to peers or friends.	0.64	

Source: Primary data collected & compiled by authors.

The factor 4 is 'Virtual community effect' which is gaining importance of virtual brand community on consumer behavior to develop trust and loyalty for the brand and also enhance the role of consumers which include writing blogs and commenting about the product in their FB pages

**Table 14.** Factor 5: Promotion Effect

Attributes	Statements	Factor Loading	% of variance explained
A9	Generally there is response to promotional offers received through social networking sites.	0.53	5.525
A12	Those organizations are innovative who involve social media for marketing their products and service as compare to those who are not using it.	0.722	
A13	It is said that for new products/services/brands social media is more effective than mass media channels.	0.5	

Source: Primary data collected & compiled by authors.

The factor 5 is 'Promotion effect' as it is one of the way used by car manufacturers to promote their brands by various promotional offers to draw consumer's attention and interest for the automobile product.

**Table 15.** Factor 6: Interaction Factor

Attributes	Statements	Factor Loading	% of variance explained
A4	Interacting with others friend I generally use social media	0.594	4.643
A17	After reading comments, reviews, online articles etc about a brand or product or service on I am likely to change my attitude about it.	0.713	

Source: Primary data collected & compiled by authors.

The factor 6 is 'Interaction factor' as it is evident that the consumer interact with a number of sources to arrive at purchase decision.

**Table 16.** Factor 7: Reference Factor

Attributes	Statements	Factor Loading	% of variance explained
<i>A11</i>	Before considering any product or service I refer to number of likes/ dislikes about it on social media sites	0.611	4.433
<i>A19</i>	I feel that to communicate with each other social media provides an effective and powerful platform.	0.631	

Source: Primary data collected & compiled by authors.

The factor 7 is 'Reference factor, signifies that the respondents not only seek information but interact and refer the number of likes/dislike shared by the reference group on different social networking sites. This perhaps changes the attitude and perception of an individual towards a certain automobile product or brand.

## Testing of Hypothesis

ANOVA was used to test hypothesis to analyze whether there is any significant variation in customer response to find impact of demographic elements on automobile sector. The result of ANOVA are presented in the table 17.

ANOVA indicate that age has no significant impact on the factors considered for four wheeler, except A14(social media for interacting with others)A20(social media has helped me to feel comfortable in making purchase decision)and A23(Overall I feel that Social Media has helped me in making correct buying decision by providing the relevant information) hence we reject Ho1 and states that different age group people are being influenced by Social Media Marketing used by automobile manufactures whereas gender of respondents show no significant impact except A8(my decision of trying new brands/products/services is influence by Blog posts/ FB pages/user reviews on social media) and hence we accept Ho2 &states that gender of respondents has no significant influence.

The ANOVA based on occupation, income and education level shows that the significance value for the attributes (A7,A9,A12,A1,A2,A3,A4,A8,A9,A19), hence, we reject Ho3,Ho4 and Ho5 and conclude that there is significant influence of social media marketing on the respondents. This also indicates that the respondents tends to get influenced by social media marketing undertaken by automobile manufactures.

**Table 17.** Computation of ANOVA

Items	Age		Gender		Occupation		Income		Education	
	F value	Significance	F value	Significance	F value	Significance	F value	Significance	F value	Significance
A1	0.646	0.586	0.133	0.716	0.663	0.618	6.496	<b>0.001</b>	1.695	0.136
A2	1.177	0.319	0.334	0.564	0.591	0.67	3.767	<b>0.005</b>	1.001	0.418
A3	1.319	0.269	0.278	0.598	0.479	0.751	6.224	<b>0.001</b>	1.09	0.366
A4	2.05	0.107	1.21	0.272	1.554	0.187	3.782	<b>0.005</b>	0.956	0.445
A5	0.33	0.804	1.334	0.249	1.31	0.267	0.407	0.804	0.497	0.778
A6	0.966	0.409	0.073	0.787	0.64	0.635	1.249	0.291	0.923	0.466
A7	2.381	0.071	0.168	0.682	2.356	<b>0.045</b>	0.392	0.815	0.915	0.472
A8	0.109	0.955	3.982	<b>0.047</b>	0.872	0.481	3.807	<b>0.005</b>	0.766	0.575
A9	0.576	0.631	2.539	0.112	2.809	<b>0.026</b>	0.782	0.538	2.986	0.012
A10	1.167	0.323	0.001	0.994	0.924	0.45	0.633	0.639	0.646	0.665
A11	1.883	0.133	3.328	0.069	1.334	0.257	2.113	0.08	1.324	0.254
A12	1.215	0.305	0.001	0.98	3.001	<b>0.019</b>	2.849	<b>0.024</b>	1.711	0.132
A13	0.885	0.45	2.791	0.096	0.624	0.646	2.47	<b>0.045</b>	0.827	0.531
A14	3.966	<b>0.009</b>	0.149	0.701	1.212	0.306	0.134	0.97	0.439	0.821
A15	2.313	0.076	1.338	0.248	0.354	0.841	0.582	0.676	2.041	0.073
A16	1.017	0.386	0.889	0.347	1.051	0.382	1.269	0.283	1.03	0.401
A17	1.307	0.273	0.154	0.695	0.429	0.788	0.864	0.486	0.497	0.778
A18	1.013	0.388	1.127	0.289	0.269	0.898	0.549	0.701	0.388	0.857
A19	0.786	0.503	0.311	0.578	0.375	0.827	1.478	0.209	2.71	0.021
A20	3.943	0.009	2.063	0.152	0.269	0.897	0.294	0.882	0.734	0.598
A21	0.098	0.961	2.006	0.158	2.917	0.022	1.511	0.199	0.047	0.999
A22	2.293	0.078	0.855	0.356	0.845	0.498	0.542	0.705	0.448	0.815
A23	3.759	0.011	0.104	0.748	2.844	0.025	0.457	0.767	1.569	0.169

Source: Primary data collected & compiled by authors

## Conclusion

The findings of the study clearly signifies that social media marketing influences the decision making of the consumers who are regular user of the various networking sites like Facebook, YouTube, LinkedIn etc. The adaptation of social networking sites by respondents indicates that this is good platform and all automobile manufactures should keep advertising on these networking sites and keep responding to the customer needs and queries to develop trust. Factor analysis have brought seven factors representing various elements considered by the respondents. These factors are 'Purchase influence, Decision making, Information seeker, Virtual community effect, Promotion effect, Interaction & Reference'.

Based on ANOVA results we found that Gender of respondents have no significant influence, whereas age, education, occupation and income has significant influence consumer purchase decision and social media marketing has significant impact on it.

The high internet penetration and respondents using different social medium. Face book is on top social media platform used by them. Maruti as top preference by majority of consumers followed by Hundai and Honda Cars. They prefer finance/ EMI as their preferred mode of payment. The finding

With the rise in educational level and increasing use of social media across the population, the finding of study provided useful insights for the benefit of automobile manufacturers, finance companies and car dealers to formalize themselves towards new era of marketing 'Social Media Marketing'.

The study involved the collection of primary data using questionnaire as research instrument. Questionnaire was designed by the authors based on literature review. The sample size was 480. Responses were collected from customers who had bought new car in last six months or one intend to buy one soon The focus of the study was the people residing in Delhi-NCR. Factor analysis and ANOVA was employed to analyses the primary data.

The study has found seven factors which influence the process of decision making. These factors are namely 'purchase influence, decision making, information seeker, virtual community effect, promotion effect, interaction & reference'. All the demographic variables have significant influence on consumer purchase decision except gender of the respondents.

The study has been conducted in urban area where education level is comparatively very high as compare to other part of the country and hence finding cannot be generalized for the whole population.

The finding can be used by the marketing managers to align their social marketing communication for targeting the prospective customer in general and automobile specifically.

The research is able find the specific area of interest which can be used for designing new marketing strategies

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