

# *Research on the Influence of Social Media on Women's Consumption*

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**Abstract:** Shi Qingqi was one of the famous economists who widely promoted the "women's economy" concept, also referred to as the "SHE economy." According to such a concept, more women are starting to identify their clients from a woman's perspective, thus developing more products. This can also be explained through related theories like the demand theory. According to the demand theory, the higher the price of products, the less the products will be demanded in the market, demonstrating a downward-sloping demand curve. This article proposes the interaction between social media and women's consumption through the retrieval and inspection of related literature. This paper argues that the development of the women's economy has led to an improvement in women's status, altered the needs between men and women, altered the way women shop, affected women's consumption, and has its limitations in the long run.

**Keywords:** consumer psychology, social media, female economy, online shopping, need theory

## 1. Introduction

The rise in the status of women has given modern women a lot of education and opportunities, and they promote the idea that "work is to enjoy life better" and "shopping is more for fun", so shopping has become an important channel for contemporary women to vent their stress. Ms. Shi Qingqi, a renowned economist, introduced the concept of "women's economy," also known as "her economy." According to Ms. Shi, more and more businesses are identifying their consumer base from a female perspective and developing new products [1]. Some economic experts believe that women's economic independence and autonomy, as well as their strong consumer demand and ability, mean that a new economic growth point is being formed. In terms of demand and consumer groups, women's consumer demand is showing an "inflated appetite for consumption", leading to a series of new consumer trends that offer unlimited opportunities for brands, but also pose greater challenges. Abe's "women's economy" has also contributed to the country's economic development, and Kathy Matsui, Chief Strategy Analyst at Goldman Sachs Japan, and her research team have confirmed the positive impact of women's advancement on the country's GDP [2]. Assuming that, in the best case scenario, the ratio of female to male working hours climbs to the OECD average, the boost to a country's GDP is projected to extend further to 15%, according to Goldman Sachs Research, narrowing the gender employment gap may offer Japan's GDP a 10% boost. The growth of the internet has facilitated the widespread use of social media platforms. Combined with the ubiquitous "seeding" of the

contemporary web, social media platforms have played an important role in the flourishing of the female economy. This paper is a secondary research-based study using literature including research papers, research reports, books, and websites to explore the impact of media development on the female economy in order to contribute to a better female economy.

## **2. Development of Women's Economy**

Female craves different things in the market, and they afford them depending on their different income levels, and their satisfaction level often affects the demand.

### **2.1. Improvement of Women's Status**

Most female entrepreneurs are active on social media platforms such as WhatsApp, Facebook, Amazon, and even Alibaba, as their businesses benefit from constant interaction with digital channels.

Women often blend social media with e-commerce and payment and delivery platforms. Such technological improvements have come in handy for women, for they have helped improve women's financial inclusion and social status in society [2]. Women's status has improved drastically; for instance, a study carried out by the World Bank Research Institute in Mexico indicates that due to COVID-19, women started switching to social media, using their smartphones for customer communication, marketing, and even price negotiation. Additionally, the IFC's research in South Asia and Africa shows that women engaged on formal social media platforms have a higher probability of leveraging social media for marketing than men. Moreover, according to the study, women are more likely to join formal platforms to grow their businesses. Moreover, social media platforms have been perceived as learning spaces with valuable information sources for customers and entrepreneurs. They often host training content and enlighten women on a broad range of topics, including online commerce and protection from fraud.

### **2.2. Shopping Needs Between Men and Women**

Both men and women shop online; however, they often shop differently. Many studies have believed and confirmed that most women spend more time shopping online than men. In addition, men often prefer to walk into a store of interest, pick anything they want, and buy in a hurry without even minding the minor differences that would otherwise lead to expensive purchases in the future[2]. Women often patiently search on every social media platform to compare prices, designs, efficiency, and even availability of offers without minding the amount of time they spend selecting the product, bargaining, and even purchasing. Men often limit their shopping to specific products they are looking for at the time of purchase. And, women often look for products differently, and in most cases, they are often prone to impulse buying [2]. However, a similar characteristic is that both sexes often compare and consider prices when making a purchase decision. While men often compromise faster with quality over price, women are often more price sensitive but settle for the best available offer. Women are often interested in knowing the reasons and motivations for others purchasing an item, while men often use the experiences of others with products to establish their perspective. Both men and women have a particular interest in and taste for colors. Men often prefer dull colors, while women often prefer brighter colors. Single men have a higher likelihood to shop for alcoholic beverages, while single women have a higher likelihood to shop for health care, beauty, and cosmetics products. When purchasing, women are inclined to be more intuitive and subjective, while males are more logical and analytical based on other people's experiences. Women often perceive purchases as a long-term decision, while men often purchase depending on their immediate needs.

### 3. Social Media and Women's Economy

According to the demand theory, the higher the price of products, the less the products will be demanded in the market, demonstrating a downward-sloping demand curve. The demand for goods at a specific price directly reflects a consumer's capability to pay and a direct expectation of the consumer to consume that product in the long run. The demand for specific goods is generally driven by two factors, the ability to pay for the alleged goods and services and their utility. Various factors affect demand, including taste, choices, income, consumer preference, and related goods [3]. The many factors affecting demand imply that businesses ought to evaluate demand since it is one of the most crucial decision-making drivers that should be considered in business growth, and it continues to stay competitive in the marketplace. According to the law of demand, there is an inverse relationship between demand and the price of a good or service. This means that as a commodity's price increases, so does the demand decreases, and as the commodity's price decreases, so does the demand increase [3]. This happens in the female economy; hence the demand theory is worth noting and knowing in the long run. Thus, in the long run, female craves different things in the market, and they afford them depending on their different income levels, and their satisfaction level often affects the demand.

Social media is one of the most significant that helps determine whether female consumers should engage in an outcome imagery process. In the long run, the imagery processes associated with social media platforms help consumers focus on concrete aspects like product feasibility, which ultimately helps them make decisions about significant consequences in the distant future. When making decisions, female consumers use social media platforms to think of the abstract characteristics of a product, such as its desirability to enable consumers to engage in process-oriented simulation [4]. Social media mainly focuses on female consumers because, according to recent research, female influencers have been shown to dominate the influencer market on social media. Dagsvik reveals that females are the power shoppers; hence they build the community in a broad range of ways [3]. Moreover, women have been shown to be fearless entrepreneurs. For instance, 86% of women use social media for purchasing advice. Data from digital marketing institute reveals that women are savvy shoppers and more likely than men to consult social media before purchasing a product or a service [5]. Data from such statistics indicate that 78% of women are very active on social media sites, most prefer to Snapchat and Instagram. Moreover, most women are easily moved and convinced to purchase following influencer posts [1].

Social media allows people to converge for social interactions, and study reveals that this mainly applies to women. Moreover, technological advancement has made it possible for social media to penetrate deep inside women's hearts, which is possible mainly because women have invested profoundly in smartphones [6]. Moreover, more women have started working, and to match up with a peer group, women ought to become members of specific social media groups which influence their purchasing habits and liking for fashion and beauty products, among other things that interest them. Another study reveals that social media groups highly influenced unemployed women, those with businesses, and homemakers to make online purchases [6]. Another study found that women aged 31-45 and 46-60 were heavily influenced by the 4P marketing and dimensions of buying behavior when making purchases on social media sites. This also happened to women who spend more than four hours on social media sites. Social media presents significant chances for women to forge a genuine connection with other women through online interactions. Social media forms a new communication and technological system where interpersonal relationships are created and maintained. Additionally, since social media is starting to influence both the young generation and women, such platforms should be improved to expand their influence further [7]. It should be expanded to a platform where women should share their entrepreneurial journeys on social media

since social networking is increasingly transitioning into a component of business owners' marketing plans. As a result, they ought to forge closer ties with their target audience, which, in the long run, is meant to boost their business profitability via sales and conversions.

#### 4. Discussion

The demand theory would clearly explain women's online social media consumption behavior. This goes hand in hand with the influence posed by social media groups on women. For instance, in a downward demand curve, women are expected to buy more when the price of online goods and services decreases. On the same note, women are expected to buy less when the price of goods and services increases in the long run [7]. Moreover, research reveals that women are more likely than men to purchase online and follow influencer posts and other social media groups. Then, out of curiosity, according to the study, women have an 86% likelihood of purchasing a brand they have never purchased before upon interacting with it on social media for the first time [8]. Also, about 87% of women are more likely to purchase from a brand they interact with, establishing regular purchases in long-term loyalty. According to research, about 62% of women have been found to make purchases based on recommendations from influencers [8]. Radhika, Vandana and Shirin reveals that gender is a critical component among all criteria and plays a crucial role in purchasing decisions [9]. Males often have a more robust external attraction, while females have a more robust internal focus. Thus, regarding purchasing decisions, males and females are entirely different. Women are more intuitive and subjective, while men are more logical and analytical, which is why they base their purchasing decisions on other people's experiences rather than trying them out for the first time themselves [10]. Moreover, men often purchase goods and services based on immediate needs, while women often purchase following their long-term decisions. The psychology behind women's and men's purchase power online is very different, and it is at the same time influenced by a broad range of factors. For instance, men have a higher likelihood than women to go for dull colors, while women are prone to liking more brighter colors. It was a male-dominated world when online shopping was limited to computers, music, electronic products, and services. However, women grabbed the leads later in internet shopping as the product category grew, which is why women and online shopping became more rampant after the COVID-19 pandemic struck the world [7]. Unlike men, women often purchase products online after patiently searching for the product in all available brands, comparing them, checking for already available offers, and bargaining efficiently.

#### 5. Conclusion

Nowadays, social media has emerged as a potent tool that has reached even rural areas. Online stores ought to expand and have women as a target audience. According to statistics presented herein, women have a higher probability of identifying with social media groups of influence; thus, their lifestyle, fashion, and beauty are easily influenced by others. This means that most online stores and those in rural areas should keep such success niches in mind when establishing their stores and areas of business operations. Unlike men, women like to feel smarter and ahead of their peers; thus, they are constantly looking to buy fashion products like accessories, apparel, cosmetics, and other beauty products and services. Quality products that are easily available at a lower price provide a huger variety and the opportunity to be women's favorite. They should spread such information regarding online products of purchase through advertising, banners, and branding techniques on most social media sites and groups to attract a broad customer base. However, with the increasing fashion trend and increased technology, women are predicted to continue presenting the highest percentage of online shoppers. A shortcoming of this paper is that it lacks the practical bit of going deeper into the

research, having an ideal sample, and lacking a specific methodology that leads to data analysis. Therefore, future research needs to be grounded further into a specific research design.

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