

**THE INFLUENCE OF SOCIAL MEDIA ON THE CONSUMER DECISION
MAKING PROCESS IN THE COSMETIC INDUSTRY IN NAIROBI
COUNTY, KENYA**

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**A Research Project Submitted in Partial Fulfillment of The Requirement For
The Award of Degree of Master of Science in Marketing, School of Business
University of Nairobi.**

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DECLARATION

I hereby declare that this research project is my original work and it has not been submitted for examination in any other university.

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D65/79307/2015

Signature.....

Date.....

This research project has been submitted for review with my approval as the supervisor.

Dr Catherine Ngahu

Signature

Date.....

School of Business

The University of Nairobi

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I register my gratitude, first to God. He who blessed me with understanding – I am forever grateful.

I acknowledge my family for the continued support and encouragement. You were there with me at the beginning and you shall be there at the end to enjoy the fruits of my labor. To my project supervisor, Dr. Catherine Ngahu, your concerned effort, time and guidance is greatly appreciated. I shall forever be indebted to you.

My sincere gratitude goes also to all my questionnaire respondents who provided the data I used in this project. This went a long way to ensure the success of this endeavor. I also acknowledge the University for providing relevant facilities which greatly aided my work.

DEDICATION

I dedicate this to my loving husband Ricardo. Thank you for always encouraging me.

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ABSTRACT

The objective of the research was to establish the influence of social media on the consumer decision making process in the cosmetic industry in Nairobi County. The theoretical framework rests on literature of social media, consumer decision making process and the cosmetic industry in Kenya as well as previous studies relating to social media and its influence on the consumer decision making process. A descriptive cross sectional survey design is adapted for the purpose of this research. The empirical data was collected through a structured questionnaire to women above the age of 18 years in Nairobi County. The study gave explanation on how individuals are attending, processing, and selecting the information on social media before a purchase. The findings indicate that individuals pursue a very active role in information search as well as comparison of alternative cosmetic products on social media mainly from Facebook, YouTube, Instagram and Pinterest. The study also concluded that there exists a positive relationship between the number of hours an individual spends on social media and their decision to purchase a cosmetic product. The study further recommends to cosmetic brands to carefully consider which social media platforms to take up based on popularity in order to ensure more targeted and successful social media campaign.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

A brand is not what the business tells the customers; rather it is what the consumers tell each other about it (Cook, 2013). Social media is described as the interaction that exists amongst people where they create, share, and exchange information and notions in virtual societies as well as networks via social media sites. Social media marketing has offered an efficient channel as regards consumer collaboration in a suitable, inexpensive, interactive, as well as entertaining all at once. It aims to impact social behaviors not only to help the marketer but also the target audience and the overall community. The present day consumers are quite dynamic as well as demanding which means that they need a very dynamic method so that the marketer can reach and influence their behaviors. Utilization of social media in business permits the consumer to express their opinion and also contribute to an opinion or a notion somewhere along the firm's path to market. Social media completely changed the history of commerce, where alongside it social villages have risen where users create self-generated content and information that they can openly share across different networks. Largely, traditional advertisements are created to be one way communication stream but now the internet's social connectivity has brought about a shift in that traditional marketing space. Consumers interact with companies and either side can communicate with the

Theories of consumer behavior discuss vital matters, such as how emotions influence consumer purchase decisions, post-purchase attitudes, and the role of object utility. Understanding these issues enhances a marketing campaign's effectiveness and its impact on consumers. The Engel, Kollat, Blackwell Model (1968) lays out a five-step process

that consumers use when making a purchase. The consumer's mindset is painted as very conscious, learning and problem solving.

The advent of personal branding and grooming in the world has led to a boom of the cosmetic industry all over the world. In general the internet, along with social media, assumes a critical role in painting an overall picture of what hair and beauty products are most desirable. Sociologists argue that a huge part of the human experience is governed by beauty. Beauty provokes pleasure, rivets attention and impels actions that ensure the survival of the species (Etcoff, 2000). However, it may further be argued that the standards of beauty are not innate but rather are socialized. Backman and Adams (1991) explained the enigma of attractiveness, and show how women are, from a tender age, taught to prize relationships with men, whom, they apparently attract with their beauty. Thus, a woman's personal happiness or unhappiness is brought about by her beauty or lack of it and is indoctrinated in women at a very early age. It can be argued that beauty is a currency in every society. Researchers (Hunter, 2002; De Casanova, 2004) note that smooth skin, thick hair, and a symmetrical body is valued in most cultures. Beauty is a physical form that grants social acceptance as well as personal satisfaction. In fact, in most cultures, personal beauty is arguably the most important quality a woman can possess (Robinson & Ward, 1995). For these reasons, most marketers in the beauty industry make it an obligation to formulate a powerful social media system so as to uphold a tough position in the client's mind and to gain additional advantages by being available in several kinds of social platforms. This means that understanding consumer behavior, in addition to how to adopt social marketing, is now obligatory for any cosmetic firm that aims at bagging their consumer.

1.1.1 Social Media

Consumers are taking up to social media as evidenced by Facebook, Twitter, Instagram and YouTube. At the end of 2004 Facebook recorded approximately 1 million users who

had registered onto its platform. The numbers gradually increased to approximately 100 million users in August 2008, which was only four years later, as announced by Mark Zuckerberg (Facebook, 2008). Moreover, by the end of June of 2012, there was a record 955 million users all over the world (The Associated press, 2012); a record 33% increase from the previous year and multiplying the numbers multiple times in less than eight years (United States Securities and Exchange Commission Registration Statement, Facebook Incorporated, 2012). During this period of exponential user number growth, Facebook also made known the fact that they had almost 125 friends connecting daily using their application (United States Securities and Exchange Commission Registration Statement, Facebook Inc, 2012) demonstrating the connectivity possible through social media.

Nonetheless, other social media categories like Micro blogging and Multimedia sharing are also widely consumed. Twitter in March of 2010 recorded an average of 50 million tweets every day increasing to 140 million tweets every day two years later in March of 2012. Twitter's new user accounts were at an average 460,000 per day by February 2011 which is tremendous growth setting an example for the increase of social media consumerism.

An analysis of YouTube illustrates the growth of Multimedia usage sharing where eight hundred million different consumers used YouTube monthly. Videos watched on each daily progressively increased twofold in two years hitting the 4 billion thresholds by May of 2012 (YouTube, 2012) boosting consumer interaction on the platform. 100 million people interacted on You Tube each week in 2012 with half of all videos on the site rated or included in the community comments (YouTube, 2012).

The most significant contributor to the usage increase on social media is technological advancement evident in the availability and ease of using of smart phones to connect anywhere and everywhere. For example, twitter registered an increase of 182% mobile

users compared to its previous years' users (Twitter, 2011) with You Tube tripling its traffic from mobile users (You Tube, 2011).

However, You Tube, Twitter and Face Book are not the only social media platforms and tools registering an increase in user accounts. Once companies noted the social media usage increase, they figured that it presented an opportunity worth exploiting. Marsteller (2012) analyzed the subscription of social media by the Fortune Global 100 establishing that an eighty seven percentage of the companies subscribed to at least one of the platforms representing a 10% increase in two years. It was established that there was an unexpected increase in the companies' Twitter and Facebook accounts of the same previous two years; thus an increase in the usage of social media by marketers in a bid to communicate with users.

1.1.2 Consumer Decision Making Process

There are different specific stages that customers go through which constitute their process of making decision before purchases (Belch & Belch, 2003). Hoyer and MacInnis, (2010) outlined five phases which are; need recognition, information search, evaluation of alternatives, decision making and post purchase evaluation.

Currently, online communities directly influence consumers' purchasing decision making on a large scale (Parker, 2011). Wheat and Dodd, (2009) referred to the president of Online International Nielsen president's view that consumers now trust information from both strangers on the internet and people they know thus creating an explosion in the consumer generated media lately. Evidently, social media has changed consumers' behavior since previously; users depended on companies to pass on information concerning their products but are now going out of their way to find this information on their own. The consumers, for example, can now identify new preferences on social media networks like Facebook where they see their friends have their pictures and videos

using the 'like' button to comment on brands influencing the Need Recognition stage in Consumer Purchase Decision Making.

Shoppers have access to multiple options on the internet for them to make inquiries and choose upon numerous consultations with their friends and experts (Wheat & Dodd, 2009) thus the direct influence on the information search phase. The influence of internet on consumer behavior when comparing products and services courtesy of various tools and websites like reviews, opinion platforms give a chance to comparison. Peer evaluations on goods and services based on their personal or group experiences allow for opinion seeking and consultations by more people. This influence of social media is on the Evaluation of Alternatives stage. Direct interaction of consumers with brands to get more information is also possible using internet social platforms.

Nonetheless, new challenges for marketers from the consumption of internet networks by users include formulating new methods for connecting with their customers considering that very few or none of the users are listening to them through their old methods of passing on information on their products, services or brands. In fact, consumers are now filtering what information they receive since a lot of information is being passed through social media (Brown & Hayes, 2008). Furthermore, consumers tend to trust their peers more than corporate marketers implying the need for strategizing on new interaction modes between marketers and users (Jaffe, 2010). Influence of social media connections on the five decision making phases of customers elaborated above proves to be undeniable even though the particular role it plays in the process is still not entirely clear.

1.1.3 The Cosmetic Industry in Nairobi County, Kenya

The cosmetics industry has recently become Kenya's new epicenter of investment; attracting immense attention from global brands in multi-million shilling acquisition deals. This market is approximated to be worth Sh5.4 billion and is predicted to grow to

Sh6.6 billion by 2018 (PWC, 2016). The growth in this segment is attributed to a promising demographic profile and strong economic growth.

In 2016, Flame Tree Group took over a local cosmetic company named Suzie Beauty in a deal worth millions of shillings. The Flame Tree Group, in a bid to increase its consumer goods business, made the move to acquire the Kenyan company (Business Daily, 2016). L'Oreal, a leading French cosmetic brand, also took over Nice & Lovely products from InterConsumer in a transaction worth more than Sh1.5 billion in 2014. The company sold over 40 million units up from just 2 million the year before. This deal targeted Kenya's fast-growing bottom of the pyramid market for which the L'Oreal brand had no presence. Procter and Gamble's launch of mass market products in 2014 also stirred up the cosmetic market in Kenya. This move announced the Camay brand of cosmetics in the Kenyan market, which shook existing players such as Unilever and Cussons PZ. Nakumatt Holdings also was not left behind. In 2013, they invested heavily in the cosmetic market and by 2016 they sold 36,472 units worth Sh36.8 million. With the launch of Nakumatt Beauty and an exclusive franchise deal with Revlon cosmetics, Nakumatt invested Sh100 million to advertise cosmetic products as it moved to broaden the assortment of goods in the cosmetics section. Other luxury multinational brands that have domiciled in Kenyan malls include Clarins, Clinique, MAC, Black Opal, Nimue, Fenty Beauty by Rihanna, Essie Nails Cosmetics, Yves Saint Laurent, Black Up among others.

1.2 Research Problem

Social media platforms have gained great popularity over the years and have influenced consumer buying behavior. Many organizations hire marketers to utilize online networks strategically. Additionally, it is impressed upon the said marketers to present reports on Facebook, Twitter, Instagram and Google+ about the number of social interactions the brands make and the revenue drawn from such. However, very few organizations have

online networking strategies that seek to understand their consumer and appreciate their thought pattern before purchase (Tuten & Solomon, 2014). Marketers, unfortunately, are too content to see the social platforms as a set of channels through which to make known their products or services (Hoffman & Fodor, 2010).

In the Kenyan cosmetic industry, a myriad of cosmetic product providers are satisfied by an online presence. They rest at the fact that they have set up company websites as well as social pages and profiles with numerous followers. However, they do not go deeper to investigate how they can influence their target consumer by first understanding which social pages they frequent, what content they look for, at which specific times and eventually what causes them to purchase the said product.

The correlation between social media and the consumer behavior has been empirically documented by scholars (Ozer, 2012; Hajli, 2013; Fotis, 2015). These studies investigated the impact of social media and social media marketing to the consumer's decision making process. The results of these three studies indicate that the use of social platforms is an active source of information acquisition about products and services at varied price points as well as evaluation of brand choices before making a purchase decision. Interestingly, social media tools were considered as more honest and sound sources rather than company websites for accumulating brand material. The researchers established empirically that social interactive pages are also used to pass and share useful statistics among users; so online recommendations and comments that are shared through these tools also create a valuable source while making a purchase decision.

Locally, Kabue (2013) studied the factors hindering the adoption of the use of social media by SMEs in Nairobi County. This study exposed the progressive relation between advertising methods on social media and SME performance of the firms. The researcher also discovered that a huge percentage of her respondents have access to the web and social media tools which make the presence of the said SMEs in web-based social

networking destinations an undertaking that SMEs need to consider. Nyambu (2013) concentrated on a case study on Safaricom Ltd. The researcher investigated the impact of social media as a means for more efficient advertising and customer care. The study unearthed that web-based social networking proved to be cheaper when contrasted with different types of above the line marketing ventures.

Generally, studies have explored the impact of social media on various aspects from an organizational point of view, spanning various industries and jurisdictions. However, these studies also expose a gap in the investigations of social media marketing from the consumer's point of view. While they have gone a long way to assist marketer's better organizational social strategies, they have not established the consumers thought process in their buying decisions.

Empirical knowledge is still scanty and therefore this study is an endeavor to discourse the limitations discovered along academic, theoretical, contextual and methodological fronts. The primary research question guiding this research therefore is, What is the influence of social media on the consumer decision making process in the cosmetic industry in Nairobi County?

1.3 Research Objectives

The objective of this study was to establish the influence of social media on the consumer decision making process in the cosmetic industry in Nairobi County.

1.4 Value of the study

The study conclusions will contribute empirical knowledge with regard to the theories anchoring it. The institutional theory is yet to receive much empirical attention with regard to the cosmetic industry in Kenya. Furthermore, the study will not only help cosmetic marketers come up with better social marketing strategies, but also assist them in understanding the target consumers behavior thus responding adequately to them.

The discoveries will also provide valuable knowledge to future researchers and academicians as it will add to the existing knowledge pool. Additionally, besides acting as a source of reference it will also suggest areas for further research that future scholars and academicians can seek further knowledge on.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter looks at the theoretical foundation, relationship of key concepts and the effect of the use of social media by the consumers when it comes to the process of purchase decision making. Lastly it provides a literature summary.

2.2 Theoretical Literature

Various theories and models have been used to bring light and explain the behavior of consumers when it comes to their decision-making process in purchasing. I shall study the following; Engel, Kollat and Blackwell model, Howard and Sheth Model and Consumer Decision Journey model.

2.2.1 Engel, Kollat and Blackwell Model

The Engel, Kollat and Blackwell Model (1968) is a comprehensive model that depicts the consumer behavior as decision process comprised of five different stages: need recognition, information search, alternative evaluation, purchase decision and outcome. The consumer's mindset is painted as very conscious, learning and problem solving.

The initial stage is where the consumer realizes an unmet need. They embark on a fact finding mission by considering various marketing materials they see online or on mass media. The consumer then processes this information comparing it with experiences and expectations.

Consumers then proceed to the action stage, after a period of self-reflection, choosing to make an acquisition based on rational awareness. This stage is affected by process variables and also external stimuli.

2.2.2 Howard and Sheth Model

Howard and Sheth model (1969) contradicts the famous 5 stages model above in that it has 3 stages through which consumer engage in while making their decision on purchase.

‘Extensive problem solving’ is the first stage where consumers have limited knowledge regarding the brands and the criteria to assist in the choosing of products and services is undefined. Consumers as well have no idea no experience with the products and services they are in search of and they also lack enough information hence they end up engaging in searching information related to the brands.

The second stage which is ‘limited problem solving’ describes a scenario where consumers have discovered information regarding brand which will suit them, have been successful in defining criteria to use but are still undecided.

The final stage is the ‘Routinized response behavior’ where consumers have strong predisposition regarding the brand and are prepared to make purchases from a particular brand they have selected after gathering enough information and have assessed the alternatives.

2.2.3 Hawkins Stern Impulse Buying Theory

Most theories of consumer behavior emphasize rational steps. However Hawkins Stern highlighted the idea of impulse behavior. He claimed that unexpected buying occurs alongside rational purchasing decisions to fully depict an average consumer. Impulse buying is largely driven by sensational external stimuli and is in no way related to the traditional consumer buying process.

He established four classifications of impulse buying. To start with, the pure impulse purchases, like picking up a chocolate bar at the till of a supermarket. Secondly, buyers make prompted impulse purchases, like buying popcorn at a display strategically placed outside the exit door of a supermarket. Thirdly, are recommended impulse purchases, such as home insurance for an array of electronic devices. Finally, consumers make intentional impulse decisions, where they are aware that they need to buy a product, but are uncertain about the specific product that will suit their need.

This theory presents a massive of opportunity for marketers. An eye-catching product coupled with a beautiful in store display has immense impact on a consumer's purchasing control.

2.3 Social media and Consumer Decision Making Process

Hoyer and McInnis (2010) argued that Need recognition occurs when consumers realize that they have an unfulfilled need where these needs might be stimulated both internal and external stimuli. Social media is an example of external stimuli that may point out a need to a customer where previous knowledge was lacking.

Once the stage of recognizing the need passed, a consumer now desires to be exposed to information (Hoyer & McInnis 2010). Social media offers the required information and also they can get it from the friends they meet on the platform. More information can be derived from the Facebook pages and Twitter from the products and services they like. According to Belch and Belch (2003), Consumers undertake external and internal search during the search stage. Individuals seek information from personal sources on external search. Social media is useful in understanding and asking information from friends about products and services.

McKinsey and Company (2010) states that Social Media has a greatly influences consumers when it comes to the initial purchase of a product and also when that

product is quite pricy reason being that these factors make consumers carry out more research and to go out seeking for other alternatives. This therefore implies that Social Media can influence consumers in the information search stage because consumers can use Social Media platforms to get information about products, services and brands. Jaffe, (2010) argues that Social Media gives companies and consumers' opportunities to have a two-way communication, making it necessary recognize that consumers trust other consumers more so than they trust corporates.

According to Belch and Belch (2003) at this stage, consumers make decision on buying or leaving the product where the purchase decision depends on the motivation of consumers and on the influence from the previous stage that allowed them to evaluate alternatives. Credit is given to tools, reviews and recommendation available on Social Media.

Consumers then make evaluations on the outcomes of their purchase decision (Hoyer & McInnis, 2010). This stage is really important for consumers, as it will influence their future purchase patterns. Jaffe (2010) states that in the present day consumers make use of social media when they need to discuss their experiences. Social Media has raised the chances granted consumers to share all their experiences both positive and negative, with their mates. In the past consumers would only share about their experiences with a small group pf people preferably their mates and family but today with availability of social media platforms it is easier for these consumers to vastly spread information regarding their experiences with thousands of people within a very short period of time. An increase in the influence of Social Media has the probability of affecting the process of decision making by consumers. It is still unclear about the precise impact that social media plays and whether this influence varies in the different levels of the process of decision making by consumers.

2.4 Empirical studies

There is very little empirical knowledge on the topic under study within the Kenyan jurisdiction. However, some similar studies have been carried out abroad as highlighted below.

Current empirical studies about social media influence have for the greater part concentrated on parallels with respect to consumer behaviors; that is, people's behavior as depicted on social media inspires the behaviors of 'friends' and whomever else they are connected. For example, some academicians have performed studies considering how peer behaviors influence the level of uptake of a product or service (Aral, Muchnik, & Sundararajan, 2009). The common outcome of these studies is that there is a positive correlation between the two variables.

In the context of online media, Susarla, Oh, and Tan (2011) showed that social influence affects the acceptance of You Tube videos. The concept of opinion leaders, members of the overall population who exert a disproportionately high level of influence on others' product choices, emerges. Different methods have been proposed for isolating opinion leaders on various social platforms (Trusov et al., 2009). Additionally, social psychology researchers have shown that the sheer existence of opinion leaders and social influencers can change consumer purchasing behaviors. Similarly, social media provides options for subscription to specific content; consumer subscriptions the content generators to keep track of the size of their recipients. These levels indicate the level of trust that the influencer has earned.

Some studies have also critically looked at the way online reviews and ratings, of products and services, guide numerous outcomes such as consumer preference, product and services sales, and even invest or divest decisions (Agarwal & Prasad, 2006).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design, the population of the study, sampling design as well as data collection and analysis techniques which were used in the research process.

3.2 Research Design

The study took the form of a descriptive cross-sectional survey. Survey approach allowed the researcher to control both measurement and the outcome making it a critical approach to the research. The research aimed to get responses from as many people as possible in Nairobi; it was possible since the study concentrated on a single geographical area. Credibility of the study was determined by the many responses collected.

3.3 Population of the study

A population for the purpose of a research study is termed as the entire group of individuals, objects and events that possess a common characteristic that could be observed (Mugenda & Mugenda, 2012). On the other hand Sekaran (2006) defined a target population as all the things of interest including persons, events or perhaps things that a researcher could be determined to study. For that reason the target population of this study constituted all women above the age of 18 years in Nairobi. This is because women form the highest percentage of consumers in the cosmetic industry. This target population has been estimated to stand at approximately 1,500,000 (KNBS, 2016) in number.

3.4 Sampling Design

As stated by Walpole, Myers, and Myers (2006), a sample is derived from a subdivision of the populace that is being reviewed. The sample details elements that are picked from the accessible population. The size of the sample ought to represent effectiveness, representativeness, dependability plus flexibility of the entire population. So as to attain the necessary confidence in the data, the sample should be large enough and the margin of error within acceptable limits (Lewis, Thornhill, & Saunders, 2007).

The researchers sampling frame consisted of the 1,500,000 women in Nairobi County above the age of 18 years (see Appendix I). This number was based on projections done on the 2009 Kenya Population and Housing Census by age cohorts and gender with an inter-censual growth rate of 3.8%.

It was noted that the sampling frame was large in number and very little information was known with regard to the behavior of the said population in the context of the topic under study. Consequently, in order to determine an appropriate sample size, the researcher applied Slovin's formula (see below),

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

Where n = sample size

N = population size (1,500,000 women in Nairobi)

e = margin of acceptable error

The researcher assumed a margin of error of 5% and applying to the formula above. The sample was determined to be 400 women above the age of 18 years in Nairobi County.

Convenience sampling was used to select the 400 respondents in Nairobi. This technique qualified as a non-random sampling. In random sampling, each member of the subset population being targeted has an equal probability of being selected while in non-random sampling it cannot be guaranteed that every unit of population has an equal chance of being selected (Deacon et al., 2007). With convenience sampling, the 400 respondents were selected based on how accessible they were to the researcher and the ease to recruit them. This technique was easy, cheap and least time consuming.

3.5 Data Collection

Primary data was collected using a structured questionnaire (see Appendix III) administered to women above the age of 18 years. Questionnaires were used because they permit the respondent to offer their responses in a free unsupervised environment. This ensured optimal honesty and gave the respondents ample time to answer all questions without guidance or inclination which may have been influenced by the researcher.

Questions were pre-tested to ensure research validity. The testing also helped the researcher to revise and improve the questions and guaranteed that the respondents did not face challenges while responding to the questions (Saunders et al. 2009). The researcher also consulted the supervisor prior to sending the questionnaires to the random participants.

Additionally, reliability of the research is the solidity of the size and the consistency of the data collection process (Saunders et al. 2009). The researcher resolved to include a large number of respondents to receive more answers and ensure reliability.

Finally the questionnaire administration was done face-to-face. The researcher approached customers in various cosmetic stores in shopping malls within Nairobi County to fill in the questionnaire.

3.6 Data Analysis

Data analysis covers the categorizing, manipulating and reviewing of data with the aim of obtaining responses to meet the objective of the study (Mugenda & Mugenda, 2012). Once the questionnaires were fully completed, the data captured was coded, classified and summarized for analysis. Statistical Package for Social Sciences (SPSS) was used to analyze the data.

Data gathered from here was presented in tables, bar charts, bar graphs and charts in order to provide a clear presentation for visual appreciation. Descriptive and inferential statistics were used to draw conclusions from the data collected. Descriptive statistics such as measures of central tendency and dispersion were utilized. This aided in the definition of data by summarizing it and displaying it in an expressive manner. The inferential statistics included a regression model which established the relationship between variables. The model took the following form:

$$Y = \beta_0 + \beta_1 \chi_1 + \epsilon$$

Where: Y = dependent variable

χ_1 = independent variable

β_0 = the constant

β_1 = the regression coefficient or change included in Y by each χ

ϵ = error term

The independent variable is the use of social media which was measured by the number of hours spent on social media. The dependent (Y) variable is the consumer decision which was measured by the level of agreement by the consumer on whether social media has influenced their buying decisions.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the results and findings as analyzed from the data collected. The main objective of this study was to investigate how social media influences the consumer decision making process in the cosmetic industry in Nairobi County. The primary data was collected through structured questionnaires and responses were analyzed using both descriptive and inferential statistics and results were presented in tables, pie charts and bar graphs.

4.2 Response Rate

The study targeted 400 respondents, women above the age of 18 years, sought out conveniently at cosmetic shops in Nairobi County. A total of 387 questionnaires were successfully filled in time for data analysis. This represented 97% of the total respondents. According to Mugenda and Mugenda (2003) a 50% response rate is adequate, 60% good and above 70% rated very well. The response rate of 97% was therefore considered appropriate to derive the inferences regarding the objectives of the research.

Table 4.1 Response Rate

Response Rate	Frequency (n)	Percentage
Response	387	97
Non Response	13	3
Total	400	100

Source: Primary Data

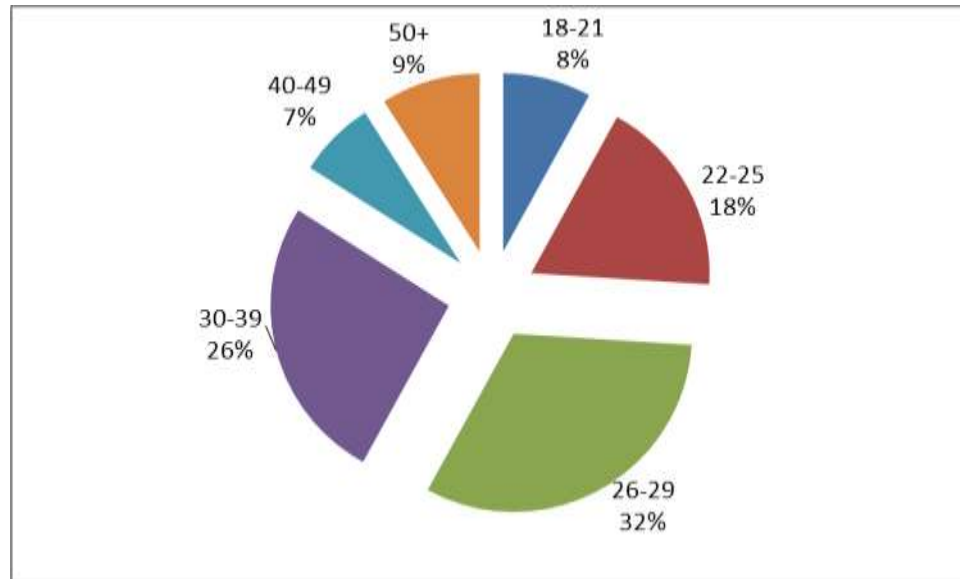
4.3 Demographic Information

The researcher found it important to establish the general information of the respondents since it forms the basis under which the study can rightfully access the relevant information. The general information presented respondents issues such as number of years worked and designation in the organization.

4.3.1 Age distribution

This section sought to determine the age of the respondents. The findings are presented in Figure 4.1.

Figure 4.1: Age Distribution

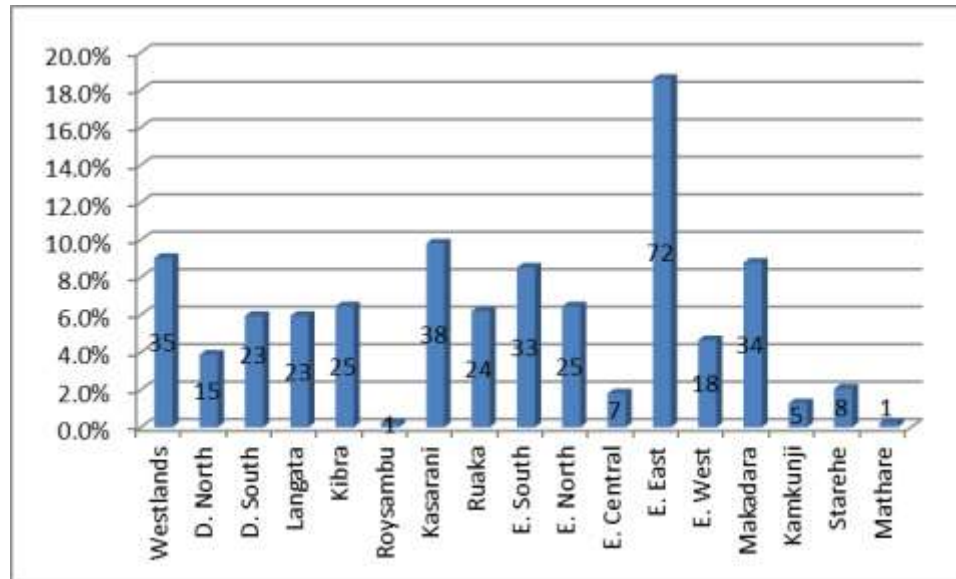


The study findings in Figure 4.1 show that 8% of the respondents indicated that they were between the ages of 18 and 21 years, 18% were between the ages of 22 and 25 years, 32% were between the ages of 26 and 29 years, 26% were between the ages of 30 and 39 years, 7% were between the ages of 40 and 49 years and 9% were above 50 years. This showed that the users of cosmetic products are not limited to any age and are well spread across all age groups.

4.3.2 Residential Distribution

The respondents were asked to indicate their current residential area based on the parliamentary constituencies in Nairobi County. Results are as presented in Figure 4.2.

Figure.4.2: Residential Areas



The results show that each of the 17 constituencies was represented. This improves the reliability of the information given since the women above the age of 18 years in the vast Nairobi County were well presented.

4.3.3 Social media exposure

In this section the study sought to establish two things; how the respondents sought information on social media with regard to cosmetic products and how long they would be exposed to social media in a week seeking out the same. By identifying which channels or platforms are mostly used and for how long it helped to understand how consumers are actually exposed to information and the type of sources they prefer. Results are as presented in Figure 4.3 and Table 4.2.

Figure 4.3 Use of social media platforms

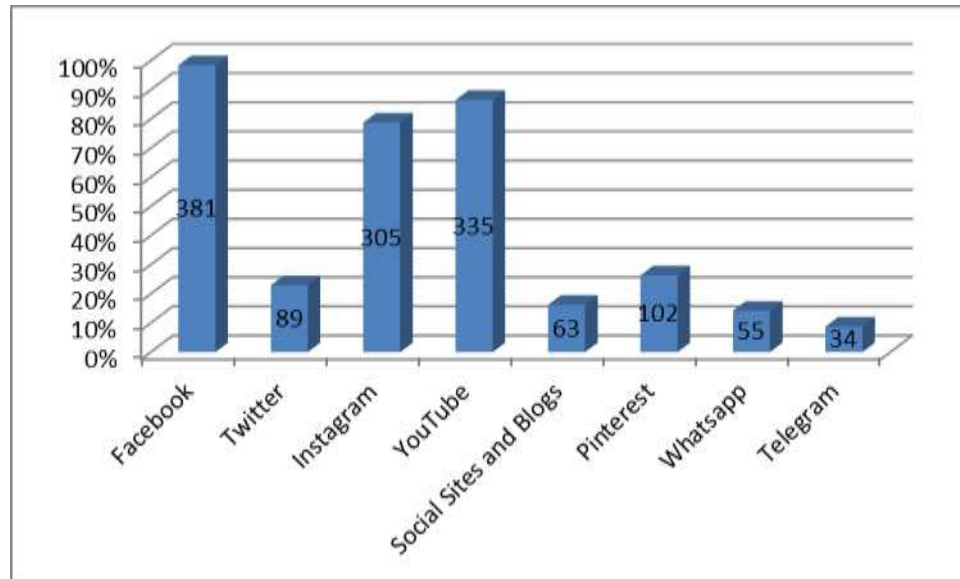


Figure 4.3 shows that Facebook was the most popular social media platform with 381 respondents indicating that they use it while telegram was the most unpopular social media platform with only 34 respondents indicating usage. YouTube, Instagram and Pinterest took 2nd, 3rd and 4th place respectively.

Table 4.2 Time spent on social media per week

Number of Hours	Frequency (n)	Percentage
1-3 Hours	78	20
4-6 Hours	125	32
7-9 Hours	169	44
10-12 Hours	15	4
Total	387	100

Source: Primary Data

44% of respondents spend 7-9 hours in a week on social media platforms while only 4% spend 10-12 hours in a week on social media. The average number of hours from the data on Table 4.2 is 5.9 hours per week. This points to the fact that an average cosmetic product consumer will spend 5.9 hours per week on social media.

4.4 Social media and the consumer decision making stages

In this section, the study sought to establish the respondents' level of agreement with various statements on how they believe social media has influenced the different stages of their cosmetic products decision making process. The stages, as discussed in previous chapters are need recognition, information search, alternative evaluation, purchase decision and outcome. The respondents were asked to rate their level of agreement with the statements using a Likert scale running from 1 to 10. The findings are presented below in Table 4.3.

Table 4.3 Social media and its influence on the consumer decision making stages

	Mean	Std. Dev.	CV %
Social media helps to reveal the need for cosmetic products	3.21	.591	18.4
Social media enables me to search for information on cosmetic products actively	8.90	.481	5.40
Social media allows me to compare cosmetic products easily before purchasing any	8.28	.429	5.18
I can easily purchase cosmetic products on social media.	7.35	.566	7.70
Social media encourages me to voice my opinion and review of cosmetic products after purchasing.	5.96	.468	7.85

Source: Primary Data

The study shows that majority of the respondents agreed that the use of social media has greatly enabled them to search for information on cosmetic products as well as seek alternatives by comparing products easily; this is shown by a mean score of 8.90 and 8.28 respectively. The respondents further indicate that social media is highly unlikely to reveal the need for cosmetic products. This implies that consumers will seek out a cosmetic product based on the recognition of a need that was brought up through another medium.

4.5 Regression Analysis

A regression analysis was conducted to establish the form of relationship between the number of hours spent on social media per week by the consumer and the extent to they felt social media affected their buying decision process. The results are presented below.

Table 4.4 Model Summary

Model	R	R Square	Adjusted R square	Std Error of the estimate
1	0.741	0.549	0.512	0.0216

Source: Primary Data

The R^2 is called the coefficient of determination and tells us how the usage of social media in hours varied with the consumer's decision making. The results show that the value of adjusted R^2 is 0.512. This implies that, there was a variation of 51.2% between how many hours one used social media to seek out cosmetic products and their buying decision. This further means that time spent on social media explained 51.2% of the consumer's buying decision, at a confidence level of 95%.

Table 4.5 Coefficients Results Model

Model		Unstandardized Coefficients		Standardized Coefficient	t	Sig.
		Beta	Standard Error	Beta		
1	Constant	4.647	2.5689	.5962	1.265	.0256
	Time on Social Media	0.436	.156	.365	1.487	.0252

Source: Primary Data

The study shows that there was a positive association between time spent on social media and consumer decisions for cosmetic products: time on social media (0.436).

From the regression model, the following regression equation was established:

$$Y = 4.647 + 0.436 \chi_1$$

Where χ_1 is time spent on social media

The study further established that there is a significant relationship between time spent on social media and the buying decision as shown by the p value where $p=0.0252 < 0.05$.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions, limitations of the study, recommendations and suggestions for further research.

5.2 Summary

The study found that all the respondents actively engaged in social media in varied ways. The respondents were well represented from the 17 political constituencies within Nairobi with majority of the respondents choosing to have their social interactions on Facebook, Instagram, YouTube and Pinterest, in that order. The study further revealed that both age distribution of the respondents. This showed that 8% of the respondents indicated that they were between the ages of 18 and 21 years, 18% were between the ages of 22 and 25 years, 32% were between the ages of 26 and 29 years, 26% were between the ages of 30 and 39 years, 7% were between the ages of 40 and 49 years and 9% were above 50 years. This showed that the users of cosmetic products are not limited to any age and are well spread across all age groups. The study also found that the average number of hours spent by an individual on social media is 5.9 hours. The objective of the study was to establish how social media has influenced the consumer decision making process. By studying the five stages of the process, the study shows that majority of the respondents agreed that the use of social media has greatly enabled them to search for information on cosmetic products as well as seek alternatives by comparing products easily. The respondents further indicate that social media is highly unlikely to reveal the need for cosmetic products. This implies that consumers will seek out a cosmetic product based on the recognition of a need that was brought up through another medium. Purchasing of cosmetic products as well as after sale behavior, such as sharing product

reviews, were only averagely affected by social media. Further, it was revealed that there was a variation of 51.2% between how many hours one used social media to seek out cosmetic products and their eventual buying decision. This means that time spent on social media explained 51.2% of the consumer's buying decision, at a confidence level of 95%. Ultimately, study shows that there was a positive association between time spent on social media and consumer decisions for cosmetic products with the following regression model being established: $Y = 4.647 + 0.436 \chi_1$.

5.3 Conclusion

From the findings of the study presented in chapter four and summary of findings above, the study concludes that consumers of cosmetic products are attending, processing, and selecting useful information on social media before a purchase. The findings further indicate that the greatest influence of social media is largely to the information search and comparison of alternatives stages of the consumer decision making process. Individuals pursue a very active role in information search as well as comparison of alternative consumers of cosmetic products cosmetic products on social media mainly from Facebook, YouTube, Instagram and Pinterest. Also, the study brings out clearly a positive relationship between social media and the consumer's buying decision. The more time an individual spends on social media means that they are more likely to purchase a cosmetic product. This calls for cosmetic brands to be more involved in understanding which platforms their consumers frequent as well as the type of information they need to put out in the digital space in order to engage them in the most targeted way.

5.4 Recommendations

From the findings and conclusions, this study recommends that all cosmetic brands need to invest greatly in their social media strategy as a means to increase sales. Not only do they need to consider which social media platforms to set up in but also generate content that will win them a purchase over their competitor. The quality of information put out in

the digital space will go a long way to convince a consumer to purchase a product from the said brand. This study further recommends the use of sponsored social media influencers who act on behalf of cosmetic brands by testing their products and giving positive reviews of the same. These reviews should appear on Facebook, You Tube, Instagram and Pinterest which are the most popular social sites based on the findings of this study. This will work to feed the consumers mind which is actively searching for information as well as comparing alternatives. Regular positive video reviews will not only keep the consumer entertained for longer but will also skew the consumer's mind towards purchasing their product.

5.5 Limitations

The researcher experienced some challenges that could have limited the achievement of the study objectives. One of the limitations was lack of cooperation from the respondents in terms of availing the data in time while still some did not respond at all. Some of the individuals were completely unwilling to give any information. However, the researcher overcame this challenge by introducing the questionnaire by explaining the actual purpose of the study which assisted greatly.

5.6 Suggestion for Further Research

Considering the limited time and scope of this research, many theories related to the subject were covered but in a rather general perspective so as to provide a big picture for the readers. Therefore, if further research could be conducted, then an in-depth survey should be carried out in tackling the research objective. It would be undoubtedly useful and interesting to have a case company as a reference of the research. By studying the case company, it may offer a comparison between what social media strategies the company thinks is working out and what its consumers actually perceive.

Nonetheless, if further research could be conducted for companies, then theories could

be implied more accurately, because some of the theories developed aim to help companies to gain a better position in the transition from the traditional marketing approach to the new marketing mindset. In that case, findings and conclusions could be drawn with clarity.

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APPENDICES

Appendix I: Nairobi County Population Projection by Age Cohorts and Gender

Age Cohort	2009 (Census)			2012 (Projections)			2015 (Projections)			2017 (Projections)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	199,381	197,780	397,161	223,457	221,662	445,119	250,439	248,429	498,868	270,214	268,045	538,259
5-9	151,900	154,977	306,877	170,242	173,691	343,933	190,799	194,664	385,463	205,865	210,035	415,900
10-14	119,951	127,014	246,965	134,435	142,351	276,786	150,669	159,540	310,209	162,566	172,138	334,704
15-19	115,772	154,292	270,064	129,751	172,923	302,674	145,419	193,804	339,223	156,902	209,107	366,009
20-24	211,089	266,307	477,396	236,578	298,464	535,042	265,146	334,504	599,650	286,082	360,918	647,000
25-29	234,596	228,157	462,753	262,924	255,707	518,631	294,672	286,585	581,257	317,941	309,214	627,155
30-34	182,623	141,506	324,129	204,675	158,593	363,268	229,390	177,744	407,134	247,503	191,779	439,282
35-39	134,459	95,173	229,632	150,695	106,665	257,360	168,892	119,545	288,437	182,228	128,985	311,213
40-44	89,109	57,492	146,601	99,869	64,434	164,303	111,928	72,215	184,143	120,767	77,917	198,684
45-49	65,901	41,102	107,003	73,858	46,065	119,923	82,777	51,627	134,404	89,314	55,704	145,018
50-54	41,682	24,894	66,576	46,715	27,900	74,615	52,356	31,269	83,625	56,490	33,738	90,228
55-59	24,304	14,981	39,285	27,238	16,790	44,028	30,528	18,817	49,345	32,938	20,303	53,241
60-64	15,061	10,105	25,166	16,879	11,325	28,204	18,918	12,692	31,610	20,412	13,695	34,107
65-69	7,358	5,664	13,022	8,246	6,348	14,594	9,242	7,115	16,357	9,972	7,676	17,648
70-74	4,462	4,240	8,702	5,000	4,752	9,752	5,604	5,326	10,930	6,047	5,746	11,793
75-79	2,424	2,519	4,943	2,716	2,823	5,539	3,045	3,164	6,209	3,285	3,414	6,699
80+	3,348	5,175	8,523	3,752	5,800	9,552	4,205	6,500	10,705	4,537	7,014	11,551
Age NS*	1,810	1,761	3,571	2,028	1,974	4,002	2,273	2,212	4,485	2,453	2,386	4,839
TOTAL	1,605,230	1,533,139	3,138,369	1,799,058	1,718,267	3,517,325	2,016,302	1,925,752	3,942,054	2,175,516	2,077,814	4,253,330

Source: Kenya National Bureau of Statistics, 2016

N.B Women above the age of 18 years are projected to be slightly over 1.5 Million in number by 2017



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03 November 2017

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

INTRODUCTORY LETTER FOR RESEARCH
FAITH WALEGWA MWAISAKA – REGISTRATION NO. D65/79307/2015

This is to confirm that the above named is a bona fide student in the Master of Science in Marketing (Msc. Marketing) option degree program in this University. She is conducting research on *"The Influence of Social Media on the Consumer decision Making Process in the Cosmetic Industry in Nairobi County, Kenya"*

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the research project. The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your co-operation will be highly appreciated.

Thank you.


Jane Muturi
For: Msc. Finance Co-Ordinator,
School of Business

JK/mk

Appendix II: Questionnaire

Impacts of Social Media on Consumer Decision Making Process

Part I. Demographics

1. Kindly indicate your age by ticking one of the options below.

18-21 []

22-25 []

26-29 []

30-39 []

40-49 []

50+ []

2. Which area of Nairobi County do you live?

Westlands []

Dagoretti North []

Dagoretti South []

Langata []

Kibra []

Roysambu []

Kasarani []

Ruaraka []

Embakasi South []

Embakasi North []

Embakasi Central []

Embakasi East []

Embakasi West []

Makadara []

Kamkunji []

- Starehe []
- Mathare []

Part II. Social Media Exposure

1. Which of the following social platforms you are using on a daily basis to seek out cosmetic products? (Please select the top three platforms you are currently using)

- Facebook []
- Twitter []
- Instagram []
- You Tube []
- Pinterest []
- Whatsapp []
- Telegram []

Social News Sites and Blogs (e.g. Mpasho, Tuko, This is Ess, Capital Lifestyle etc)

2. Time (approx.) spent on social media sites per week to seek out cosmetic products:

- 1-3 hours []
- 4-6 hours []
- 7-9 hours []
- 10-12 hours []

Part III. Social Media and Consumer Decision Making Process in the Cosmetic Industry

On a scale of 1 to 10, kindly indicate your level of agreement to the following statements:

1. Social media helps to reveal the need for cosmetic products.

1	2	3	4	5	6	7	8	9	10
Strongly Disagree					Strongly Agree				

2. Social media enables me to search for information on cosmetic products actively.

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Strongly Disagree Strongly Agree

3. Social media allows me to compare cosmetic products easily before purchasing any.

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Strongly Disagree Strongly Agree

4. I can easily purchase cosmetic products on social media.

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Strongly Disagree Strongly Agree

5. Social media encourages me to voice my opinion and review of cosmetic products after purchasing.

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Strongly Disagree Strongly Agree

6. Social media has influenced the process of how I buy cosmetic products.

1	2	3	4	5	6	7	8	9	10
---	---	---	---	---	---	---	---	---	----

Strongly Disagree Strongly Agree

Thank you for your time!