Impact of social media on brand awareness and purchase intention: Special reference to fashion retail industry in Sri Lanka

D.R.P. Upananda and P.M.B. Jayathilake
Department of Business Management, Faculty of Management Studies, Rajarata University of Sri Lanka Mihintale
Corresponding author: Upananda1ruwanie_u@yahoo.com

Abstract

Social media has become the modus operandi of the 21st century. The emergence of social media marketing has bought a new perspective to the traditional marketing through enabling company and its customers a direct communication. In light of such positive ground for social media, this study aims to examine the impact of social media on brand awareness and purchase intention. Thus, this study ramifies the social media marketing activities as social media advertising and electronic word of mouth (eWOM) and identify the impact on brand awareness and purchase intention. For the sake of data collection a form of explanatory research method was applied. The statistical sample consists of 150 social media users selected among Sri Lankan state University students and hypotheses were tested using regression analysis and correlation analysis. The results have highlighted that, social media advertising and eWOM have a significant positive relationship with brand awareness. There is a significant positive relationship between brand awareness and purchase intention. The study reveals that customers are paying their attention on both social media advertising and electronic word of mouth before making a purchase. Customers expect frequent updates and posts on their fashion retail products to be seen on a company’s social media pages and the uploaded advertisements by a company should be more informative, useful, updated and message to customers. This study revealed that customers pay their attention on the electronic word of mouth that are created by peer customers. A higher number of likes, shares and comments will make customers confident and thus create intention to purchase. The awareness created by social media advertising and electronic word of mouth can turn into an intention to purchase only if the social media marketing attempt got succeeded.

Keywords: Brand awareness, electronic word of mouth (eWOM), purchase intention, social media advertising