How does social media affect people's consumer behavior in China? A quantitative model to reveal the relationships

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Abstract:

In today's interconnected world, the widespread impact of social media on consumer behavior has become a focus of attention for researchers, marketers, and businesses. The rapid development of digital technology, coupled with the widespread adoption of social media platforms, has changed the way individuals interact with brands, make purchasing decisions, and navigate consumer patterns. This article attempts to explore the multifaceted relationship between social media and consumer behavior, delving into the complexity of this dynamic interaction. The author chose the consumer group size, consumers' interaction, professional level of opinion leaders, and activity level of opinion leaders are selected as independent variables, perceived risk, and perceived value as mediating variables, and purchasing behavior as dependent variables. The theoretical model of this research is constructed, and 10 research hypotheses are proposed. Through a questionnaire survey, 100 valid data were collected. SPSSAU24 was used for descriptive statistics, reliability, validity, and factor analysis to verify the reliability of the data while a quantitative influence model will be constructed to illustrate the interactivity. The investigation yielded the following conclusion. First, the consumer group size, consumer interactivity level, professional level of opinion leaders, and the activity level of opinion leaders positively affect the perceived value. Second, the consumer group size, consumer interactivity level, professional level of opinion, and the activity level of opinion leaders negatively affect the perceived risk. Third, perceived value has a positive relationship with purchasing behavior. Fourth, perceived risk has a negative relationship with purchasing behavior.

Keywords: Social media, perceived value, perceived risk, purchase decision-making, interactivity

1. Introduction

Essentially, social media represents a virtual ecosystem in which users engage in various forms of social interaction, share content, and consume information. Social media has become the leading force in shaping the digital landscape on ubiquitous platforms such as TikTok, Taobao, etc. These platforms have millions of active users worldwide, serving as virtual markets, social networks, and cultural centers that influence the way individuals perceive, participate, and ultimately purchase products and services.

The concept of consumer behavior includes countless factors that influence an individual's decisions and actions when navigating the market. Traditionally, consumer behavior has been studied from the perspectives of psychology, sociology, and economics, examining the cognitive, emotional, and behavioral processes that drive purchasing decisions. However, in the digital age, traditional consumer behavior patterns are being redefined as social media introduces new variables, channels, and mechanisms to shape consumer attitudes, preferences, and behaviors.

One of the most important ways social media influences consumer behaviors is through social proof and the phenomenon of user-generated content. In an era where authenticity and peer recognition dominate, consumers increasingly rely on the opinions, experiences, and recommendations of peers and influencers on social networks. User-generated content, including product reviews, recommendation letters, and social media posts, is a powerful form of social proof that shapes people's perceptions of brand credibility and desirability.

The rise of influencer marketing has completely changed traditional advertising models, as brands utilize the influence of social media characters to promote their products and services. By collaborating with influencers who resonate with the target audience, brands can effectively leverage their existing social networks, leveraging the power of word-of-mouth marketing and real-life stories to drive engagement and conversion rates. Influential individuals (opinion leaders) can cultivate loyal communities and establish meaningful connections, becoming key arbiters of taste, trends, and consumer culture in the digital age.

In addition to influencer marketing, social media platforms also provide countless advertising selection and positioning functions, allowing brands to reach audiences accurately and efficiently. Social media advertising enables brands to create personalized, contextual content that resonates with consumer interests, preferences, and demographics. By utilizing the vast amount of data generated by user interaction and behavior, brands can optimize

their advertising campaigns, improve the accuracy of target positioning, and maximize investment returns.

In short, social media promotes consumer expenditure in various ways, increasing the demand for products by non-pricing strategy, significantly affecting consumers' purchasing behavior.

2. Literature Review

2.1 Definitions of terminologies involved

Social media refers to online platforms and technologies that facilitate user-generated content, interaction, and networking. Kaplan and Haenlein (2010) define social media as "a set of Internet-based applications that build on the ideas and allow for the creation and exchange of user-generated content." Key features of social media include user engagement, community building, and real-time communication (Boyd & Ellison, 2007). Social media has given new ways of gaining information on products and services, and it has given the power to consumers where content is generated by them only through online conversions (Song Varghese & Mansi Agrawal, 2021).

Consumer behavior includes the actions, decisions, and processes that individuals take when purchasing and consuming goods and services. Schiffman and Kanuk (2010) define consumer behavior as "the study of individuals, groups, or organizations and the processes they use to select, protect, use, and dispose of products, services, experiences, or ideas to meet needs, and the impact of these processes on consumers and society." Frameworks of social media, such as the model of consumer decision processes and theories of planned behavior, provide insights into understanding consumer behavior (Ajzen, 1991) .

Perceived value refers to the subjective evaluation of the value of a product or service relative to its cost (Zeithaml, 1988) . It is influenced by various factors, including product attributes, price, quality, and brand image (Sweeney & Soutar, 2001). Holbrook (1999) proposed a multi-dimensional framework of perceived value, including functional, emotional, social, and cognitive dimensions. According to this framework, consumers derive value not only from the functional benefits of a product but also from the emotional and social satisfaction associated with consumption. Studies have shown that there is a positive correlation between perceived value and purchase intention (Dodds et al., 1991) . When consumers perceive a high-value proposition relative to cost, they are more likely to express purchase intentions and exhibit favorable purchasing behaviors (Sweeney & Soutar, 2001).

Perceived risk refers to the uncertainty or potential negative outcome associated with a purchase decision (James W. Taylor, 1974). It encompasses various types of risk, including functional risk, physical risk, financial risk, social risk, and psychological risk (Jacoby & Kaplan, 1972). Perceived risk affects consumers' decision-making process and purchasing behavior. High levels of perceived risk can lead to avoidance or delay in decision-making (Mitchell, 1999) . Consumers may search for information, compare shops, and seek comfort from reviews or recommendations to mitigate perceived risk (James W. Taylor, 1974) . Marketers can build trust and confidence in buying decisions by addressing perceived risk by providing guarantees, guarantees, and risk mitigation strategies (Jacoby & Kaplan, 1974).

2.2 Example of a typical widespread social media platform in China – TikTok

TikTok is a growing platform in China's short video industry since its launch in September 2016. The TikTok platform is characterized by the perfect integration of mobile, social, and intelligent, users can record the good life anytime and anywhere, and make like-minded friends by browsing works. Personalized algorithm recommendation mechanism allows users to obtain information more accurately and more quickly. In 2021, at the first ecological conference of TikTok, TikTok President Kang Zeyu explained the concept of "interest e-commerce" for the first time, that is, based on people's yearning for a better life, to meet users' potential shopping interests and improve consumers' quality of life (Zhang & Wang, 2023). The videos in TikTok stimulate consumers' shopping desire through the content of the videos or the recommendations of the bloggers. At present, TikTok is flooded with many videos with goods, and the platform traffic brings a huge promotion of all sorts of products.

TikTok provides a variety of product display and purchase opportunities in the form of short videos, effectively stimulating the interest and demand of consumers. On the content e-commerce platform, consumers can not only obtain real user evaluations and product displays but also interact and share with other users. This interactive experience provides consumers with a more personalized and real shopping environment.
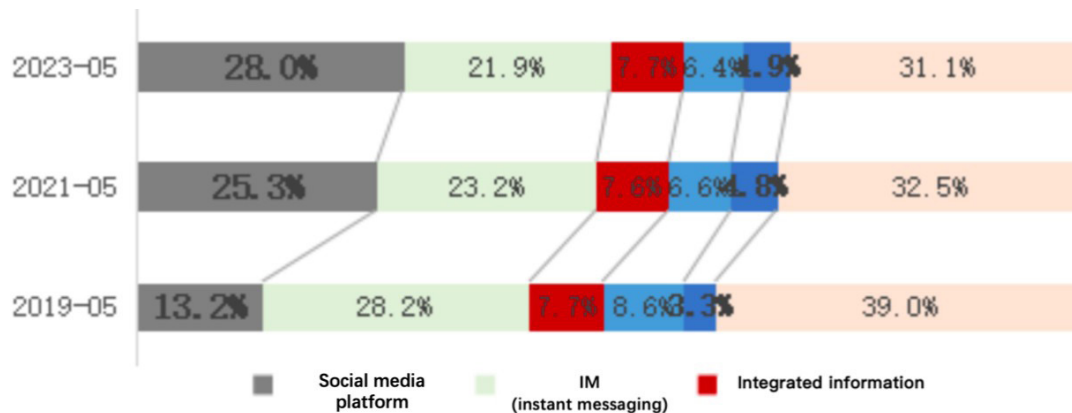
Figure 1 QuestMobile TRUTH China Mobile Internet database data

According to the data of QuestMobile TRUTH China Mobile Internet Database the total time spent by social media users in May 2023 accounted for 28.0%, an increase of 112% compared with 2019, while TikTok is the most popular platform . The vast increasing usage of social media platforms represents content e-commerce platforms (Online marketing) are developing rapidly (Wang, 2023).

2.3 Significance of studying the influence of social media on consumer behavior

The advent of social media has changed traditional marketing practices and consumer interactions. Social media platforms are a valuable source of consumer insights, enabling marketers to understand preferences, emotions, and trends in real-time (Hennig-Thurau et al., 2013) . In addition, social media facilitates peer recommendations, influencer marketing, and user-generated content, all of which influence consumer perceptions and purchasing decisions (De Veirman et al., 2017) .

Understanding consumers' perceived value and risk perception enables marketers to identify different market segments and tailor marketing strategies to meet their specific needs and preferences (Sweeney & Soutar, 2001). Therefore, understanding consumers' perceptions of value and risk is essential for marketers to design effective marketing strategies and influence purchasing behavior, as well as the factors in social media that can influence consumers' perceived value and perceived risk.

2.4 Previous Studies

In the literature of previous researchers, many of them pointed out that the impact of social media on consumer behavior is a complex and multi-factor model, as well as some basic theories.

For example, the multi-dimensional framework of perceived value, including functional, emotional, social, and cognitive dimensions, which was proposed by Holbrook in 1999, and the theory from Mitchell in 1999, perceived

risk affects consumers' decision-making process and purchasing behavior. The conceptualized structural model (CAC Cognitive-Affective Purchase Model) that Quintanilla, Luna, and Berenguer (1998) examined aims to classify various experiential purchase states according to their affective and cognitive activation, considering the possibility that states with higher consumer involvement may have both high cognitive and high affective activation, and then influence the consumer behavior. As well as the model proposed by Luo Xueming (2002) predicts Internet use and consumer satisfaction, based on attitudes toward the Internet but conceived from three dimensions, including entertainment, information, and stimulation.

However, although they had suggested theories about variables on social media affecting consumer purchase decisions and models demonstrating the relationships, they had not quantified the relationship. In this dissertation, the author will supplement the research gaps, after proposing the impact model of social media on consumer behavior, the author will also use SPSS for correlation analysis to specifically quantify the relationship and the validity of the relationship coefficient after quantification.

3. Methodology

3.1 Establishment of the influencing factor system

In social media, the influence on consumer purchasing behavior is usually manifested as increased or decreased purchase intention. Based on previous research, these consumer behaviors are jointly determined by the perceived risk and perceived value of consumers in this process

Perceived risk is the cognition of consumers about the uncertainty about the outcome during making a purchase decision. For example, consumers are not sure whether the quality and functionality of the purchased goods meet their expectations, as well as how much they will suffer if they encounter the above situation.

Perceived value is the consumer's perceived profit caused by the purchase behavior, and it is the enhancement of utility obtained by consumers through purchasing behavior, such as the satisfaction they gained when buying, or the improvement of relationships with other members of the community they made.

Thus, a simple model becomes apparent. Some factors in social media affect consumers' perceived risk and perceived value. Then, the perceived risk and perceived value of consumers interact to make the buying decision.
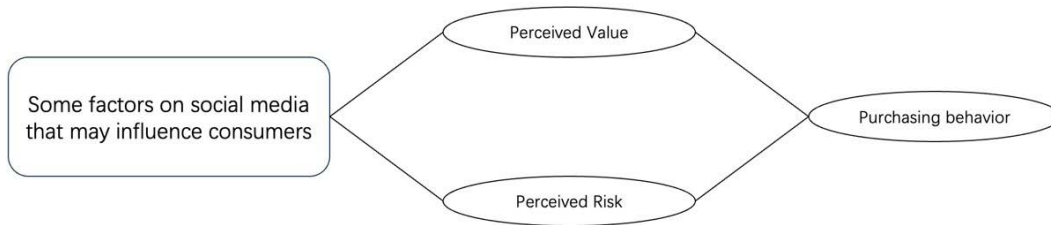

Figure 3.1 Elementary consumer behavior model

3.2 Influence mechanism and research hypotheses

3.2.1 Consumer group size on social media

The consumer group on social media will unconsciously influence individuals. Research has found that consumers' consumption behavior will be influenced by each other and tend to rely on group consumption. Tan Shuyuan et al. showed that the size of the consumer group increases the willingness of users to continue using it and significantly affects perceived value (2015), which means, the size of the consumer group is likely to have a positive relationship with perceived value and a negative relationship with perceived risk. In this case, the first two hypotheses were made.

H1: The size of the consumer group positively influences perceived value. H2: The size of the consumer group negatively influences perceived risk.

3.2.2 Interactivity among consumers on social media

As mentioned in the literature review, one of the most important functions of social media is communication. After some consumers buy goods online, they will post their feelings about the products. This action significantly helps others to evaluate whether they should buy or not, making the outcome of purchasing more certain. Moreover, Jin Zhongkun proved in his research on micro-blog marketing that interactivity is an important factor in maintaining and strengthening the emotion and trust between consumers, enterprises, and products, and it affects consumers' purchase intention (2015). Most consumers refer to other consumers' purchase feedback and usage of the corresponding product or service before a buying decision is made. As a result, interactivity among consumers has a positive relationship with perceived value and a negative relationship with perceived risk. Undoubtedly, it is also a critical factor that should be taken into consideration. Therefore, the other two hypotheses were built.

H3: The interactivity among consumers positively influences perceived value. H4: The interactivity among consumers negatively influences perceived risk.

3.2.3 Activity level of opinion leaders on social media

Nowadays, a large portion of consumers on social media buy products following opinion leaders' suggestions. The opinion leaders' activity level can affect their renown. As they are more active, such as frequently posting videos that promote selling and live recommending products, trust is constructed between consumers and them within these

interactions, and more consumers will tend to buy the products they recommended. Meanwhile, because of their high activity level, consumers are more likely to purchase at a higher frequency. Thus, two more hypotheses already emerged.

H5: The activity level of opinion leaders positively influences perceived value. H6: The activity level of opinion leaders negatively influences perceived risk.

3.2.4 The opinion leaders' professional level on social media

One of the most basic characteristics of opinion leaders is that they have higher professional knowledge in their related fields. At first, many customers themselves are unsure of whether the product is truly what they need and have poor awareness of the product details and buying methods. As a result, one of opinion leaders' primary responsibilities is to impart pertinent expertise. Opinion leaders' professionalism can both encourage consumers' purchasing behavior and increase users' trust in the content they offer. Consequently, I believe that there is a

positive correlation between opinion leaders' professional level and consumers' perceived value and a negative correlation between opinion leaders' professional level and consumers' perceived risk.

H7: The opinion leaders' profession level positively influences perceived value. H8: The opinion leaders' profession level negatively influences perceived risk.

3.2.5 Perceived value

Perceived value is a comprehensive perception of consumers' analysis of the advantages and disadvantages of behaviors, and consumers are always inclined to choose the option that gives them more benefits. When the perceived value increases, consumers think that buying related products can bring them more benefits, so the possibility of making the final consumption decision is greater. When the perceived value is not so high, consumers think that the purchase behavior cannot bring them a lot of benefits, thus weakening the purchase willingness. Therefore, I suppose perceived value has a positive relationship with purchase intention.

H9: Perceived value positively influences purchase intention.

3.2.6 Perceived value

Perceived risk is a decisive factor in consumer behavior, and consumers always make choices that minimize their perceived risk. When the perceived risk is high, consumers will hesitate and then re-evaluate whether it is worth buying. That has largely dampened buying intentions. So, I guess there is an inverse relationship between perceived risk and purchase intention.

H10: Perceived value negatively influences purchase intention.

Table 1 Hypotheses

Serial Number	Hypothesis
H1	The size of the consumer group positively influences perceived value.
H2	The size of the consumer group negatively influences perceived risk.
H3	The interactivity among consumers positively influences perceived value
H4	The interactivity among consumers negatively influences perceived risk.
H5	The activity level of opinion leaders positively influences perceived value.
H6	The activity level of opinion leaders negatively influences perceived risk.
H7	The opinion leaders' professional level positively influences perceived value.
H8	The opinion leaders' professional level negatively influences perceived risk
H9	Perceived value positively influences purchase intention.
H10	Perceived value negatively influences purchase intention.

3.3 Model Construction

Until now, all the variables and hypotheses have been presented. According to the influencing factors and assumptions, a model of the influence of social media on purchasing behavior is constructed. This research sets purchase behavior as the dependent variable, two dimensions with four independent variables as the independent variables, and perceived value and perceived risk as the intermediate variables.
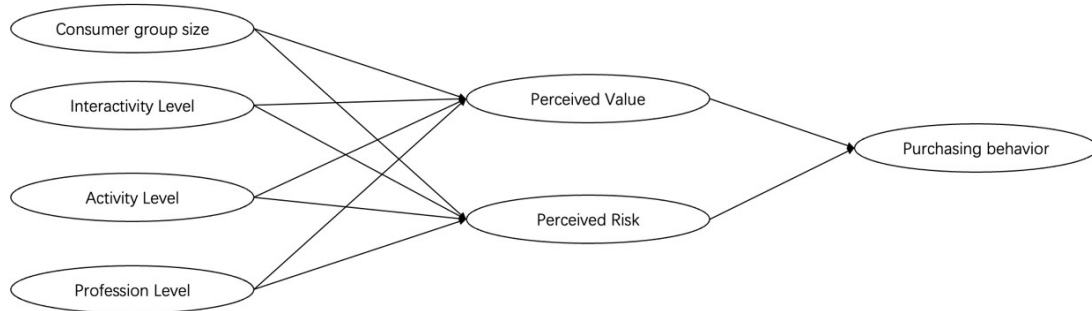
Figure 3.3 Rudimentary Model

3.4 Questionnaire Design

The two-part questionnaire serves as the primary source of data for this study. A survey of social media users' demographics, including gender, age, occupation, income, and educational background, is conducted in the first section. Eight variables are measured in the second section: consumer group size, consumers' interaction, opinion leaders' professional and active levels, perceived risk, perceived value, and purchasing behavior. The respondents were asked to rate each factor as a feeling in the second section, with one being wholly disagreed and five being highly agreed. The table below lists the questions that represent each variable.

3.5 Questionnaire Displayed

Variable	Question
Consumer group size	Many users are shopping on the social media I am in.
Consumers' interaction	I often communicate with other users about the products they buy, and it solves my doubts about the product.
Activity level	The bloggers I like often recommend products in the video.
Profession level	I think the bloggers I follow have a good understanding of the products they recommend.
Perceived risk	I think the products purchased through social media may not meet my expectations and may lack after-sales service.
Perceived value	I think social media has helped me choose more suitable products.
Purchasing behaviour	When I want to buy something, I will refer to the content on social media before deciding. I am willing to buy the products recommended on it.

4. Results and Analysis from SPSS

4.1 Results of respondents' demographic information

Gender		
	Frequency	Proportion
Male	43	43.0
Female	57	57.0
Total	100	100.0
Age		
	Frequency	Proportion
Under 18	41	41.0

19-25	30	30.0
26-30	15	15.0
31-40	9	9.0
41-50	4	4.0
Above 50	1	1.0
Total	100	100.0

Occupation		
Studying	55	55.0
Working	45	45.0
Total	100	100.0
Monthly disposable income (YUAN/¥)		
<3000	15	15.0
3001-6000	42	42.0
6001-10000	30	30.0
10001-20000	9	9.0
>20000	4	4.0
Total	100	100.0
Official academic credential		
Under high school	0	0.0
High school	37	37.0
Junior college	10	10.0
Undergraduate	49	49.0
Above undergraduate	4	4.0
Total	100	100.0

Figure 4.1 Demographic information

As can be seen from the above results, the proportion of women who spend money on social media is higher than that of men, with a difference of 14.0 percent. In addition, people under the age of 18 are more likely to shop online, and those with undergraduate degrees account for the largest proportion of online shoppers. Moreover, the result has shown that people with a monthly salary of 3,000 to 10,000 yuan spend more online, accounting for 72.0 percent of the total.

4.2 Reliability Test

Reliability analysis is used to test the reliability and stability of samples as well as the consistency of samples. In this research, the Cronbach alpha coefficient reliability test method (Eisinga, R., Grotenhuis, M. te and Pelzer, B. 2013) is adopted [22]. The larger the coefficient is, the higher the reliability is. If the value is between 0.7 and 0.8, the reliability is good. If the value is between 0.6 and 0.7, the reliability is acceptable. If this value is less than 0.6, it indicates poor reliability.

Reliability Statistics (Cronbach Alpha)

Items	Corrected Item-Total Correlation(CITC)	Cronbach Alpha if Item Deleted	Cronbach α
Consumer group size	0.764	0.790	
Interactivity level	0.787	0.787	
Profession level	0.780	0.785	
Activity level	0.719	0.796	0.839
Perceived Value	0.865	0.770	
Perceived risk	-0.306	0.940	
Purchasing behavior	0.830	0.777	

Cronbach α (Standardized): 0.846

Figure 4.2 Reliability statistics

As can be seen from the above table, the value of the reliability coefficient is 0.839, which is greater than 0.8, indicating that the reliability quality of the research data is high. Among them, the perceived risk reliability coefficient is -0.306. Since the value of the reliability coefficient mainly focuses on the relationship between items, there is a large difference in the assessment of perceived risks among respondents, resulting in a large error between items. However, in general, the overall reliability is very high, which will not affect the subsequent correlation analysis.

4.3 Validity Test

Before factor analysis, the KMO test and Bartlett's Test of Sphericity (Chung, Kim & Abreu, 2004) were used to test whether the data were suitable for factor analysis.

It is necessary to analyze the KMO value: If the value is higher than 0.8, it indicates that it is very suitable for information extraction (indicating good validity from one side); If this value is between 0.7 and 0.8, it indicates that it is more suitable for information extraction (the validity is better from one side); If the value is between 0.6 and 0.7, it indicates that information extraction can be carried out (from one side, the validity is general); If this value is less than 0.6, the information is difficult to extract (low side response validity). Validity analysis requires Bartlett's Test of Sphericity (the corresponding P-value should be less than 0.05).

KMO and Bartlett test		
KMO		0.902
Bartlett test	Approx. Chi-Square	583.031
	df	21
	p value	0.000

Figure 4.3 Validity Test

KMO and Bartlett's Test of Sphericity were used to verify the validity. It can be seen from the above table that the KMO value is 0.902, greater than 0.8, and the research data is very suitable for extracting information (the validity reflected from the side is very good).

4.4 Correlation Analysis

After completing the reliability and validity analysis, this dissertation's main objective, the factor model of social media's influence on consumption behavior, has been built completely according to the hypotheses provided. The model includes eight variables, including four independent variables, two intermediate variables, and one dependent variable. Pearson Correlation is used for analysis according to the hypotheses proposed by the research.
Independent variables with intermediate variables

Pearson Correlation (Detail)		Consumer group size	Interactivity level	Profession level	Activity level
Perceived Value	Coefficient	0.741**	0.729**	0.803**	0.762**
	p value	0.000	0.000	0.000	0.000
	Sample Size	99	100	100	100
Perceived risk	Coefficient	-0.292**	-0.222*	-0.298**	-0.362**
	p value	0.003	0.026	0.003	0.000
	Sample size	99	100	100	100

* $p<0.05$ ** $p<0.01$

Figure 4.4.1 Pearson Correlation results

As can be seen from the above table, correlation analysis to study Consumer group size, Interaction level, Profession level, Activity level, and Perceived Value respectively. The correlation between Perceived risk and perceived risk, the Pearson correlation coefficient is used to indicate the strength of the correlation. Specific analysis shows that:

The correlation coefficient between Consumer group size, Perceived Value, and Perceived risk shows significance. Specifically, the correlation between Consumer group size and Perceived Value is 0.741 with a level of significance of 0.01, which indicates that there is a significant positive correlation between Consumer group size and Perceived Value. The correlation between Consumer group size and Perceived risk is -0.292 with a level of significance of 0.01, which indicates a significant negative correlation between Consumer group size and Perceived risk.

The correlation coefficient between Interactivity level, Perceived Value, and Perceived risk shows significance. Specifically, the correlation between Interactivity level and Perceived Value is 0.729 with a significance of 0.01, which indicates that there is a significant positive cor-

relation between Interactivity level and Perceived Value. The correlation value between Interactivity level and Perceived risk is -0.222 with a significance of 0.05, which indicates that there is a significant negative correlation between Interactivity level and Perceived risk.

The correlation coefficient between Profession level and Perceived Value and Perceived risk shows significance. Specifically, the correlation between Profession level and Perceived Value is 0.803. The significance of Profession level is 0.01, which indicates a significant positive correlation between profession level and Perceived Value. The correlation value between Profession level and Perceived risk is -0.298 and shows a significance of 0.01, which

indicates that Profession level and Perceived risk have a significant negative correlation.

The correlation coefficient between Activity level, Perceived Value, and Perceived risk shows significance. Specifically, the correlation between Activity level and Perceived Value is 0.762. The significance of Activity level is 0.01, which indicates that there is a significant positive correlation between activity level and Perceived Value. The correlation between Activity level and Perceived risk is -0.362 with a significance of 0.01, which indicates that there is a significant negative correlation between Activity level and Perceived risk.

Pearson Correlation
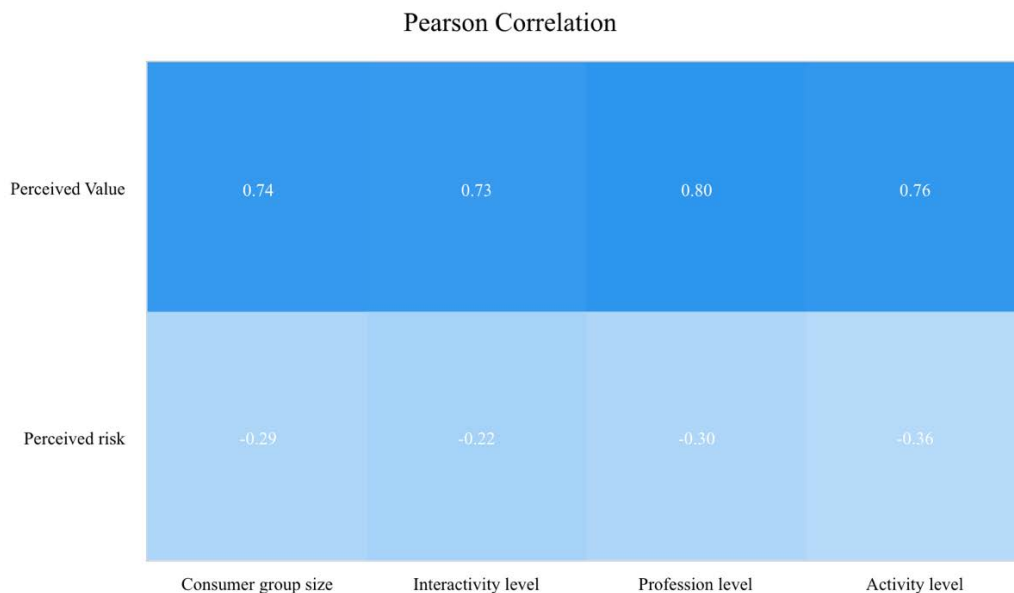
Figure 4.4.2 Pearson Correlation Visualization

Intermediate variables and the dependent variable

| Pearson Correlation (Detail)		Perceived Value	Perceived risk
Purchasing behavior	Coefficient	0.837***	-0.243*
	p value	0.000	0.015
	Sample size	100	100

* *p*<0.05 ** *p*<0.01 *** *p*<0.001

Figure 4.4.3 Pearson Correlation results

As can be seen from the above table, correlation analysis is used to study the correlation between Perceived Value, Perceived risk, and Purchasing behavior respectively, and the Pearson correlation coefficient is used to indicate the strength of the correlation. Specific analysis shows that:

The correlation value between Perceived Value and Purchasing behavior is 0.837 with a significance of 0.01,

which indicates that there is a significant positive correlation between Perceived Value and Purchasing behavior.

The correlation value between Perceived risk and Purchasing behavior is -0.243 with a significance of 0.05, which indicates that there is a significant negative correlation between Perceived risk and Purchasing behavior.

Pearson Correlation
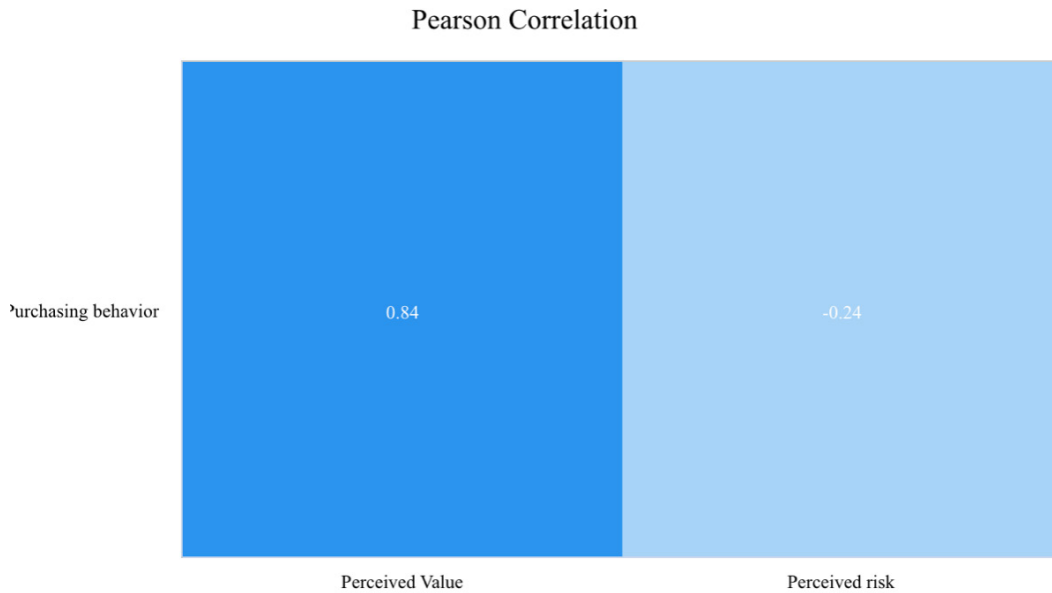
Figure 4.4.4 Pearson Correlation Visualization

At this point, the verification and quantification of the model have been completed, and all the 10 hypotheses proposed have been verified.

Serial Number	Hypothesis	Verified result
H1	The size of the consumer group positively influences perceived value.	sustain
H2	The size of the consumer group negatively influences perceived risk.	sustain
H3	The interactivity among consumers positively influences perceived value	sustain
H4	The interactivity among consumers negatively influences perceived risk.	sustain
H5	The activity level of opinion leaders positively influences perceived value.	sustain
H6	The activity level of opinion leaders negatively influences perceived risk.	sustain
H7	The opinion leaders' profession level positively influences perceived value.	sustain
H8	The opinion leaders' profession level negatively influences perceived risk	sustain
H9	Perceived value positively influences purchase intention.	sustain
H10	Perceived value negatively influences purchase intention.	sustain

Figure 4.4.5 Hypothesis test result

The Correlation derived from the above Pearson Correlation analysis and the relationship between variables in the previously established model can be quantified. Thus, the complete model of the influence of social media on consumer purchasing behavior construction has been completed.

-Quantified model of the influence of social media on consumer purchasing behavior
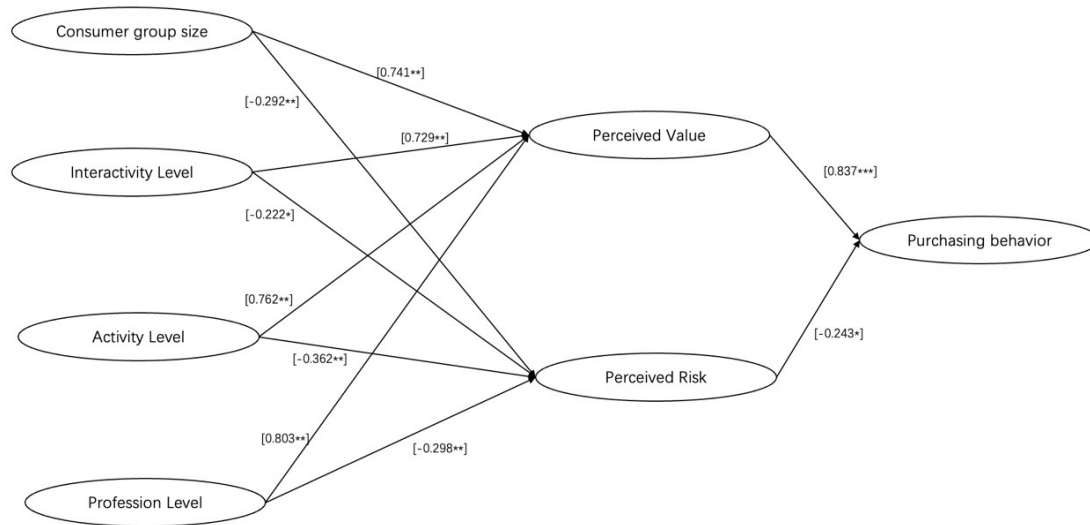
Figure 4.4.6 Quantified Model of influence of social media on consumer purchasing behavior

5. Discussion

According to the results, we know that the independent variables on social media all have a positive impact on perceived value and a negative impact on perceived value. The independent variables all have a marginally stronger effect on perceived value than on perceived risk. Furthermore, the ultimate consumption behavior is positively impacted by perceived value and negatively impacted by perceived risk.

Social media is able to make or break a company quickly and easily. Traffic on social media is enough to double or more a company's sales. Understanding the direction of traffic and hot spots on social media can seize the opportunities above social media, among them, various factors affecting consumer behavior are particularly important and have a huge correlation with firms' revenue. It allows businesses to expand their sales, scale, and market share, and even achieve economies of scale for enterprises, which is decreasing in LRAC (Long-run average cost), with the increase in the total revenue, firms will have more profit fund for R&D (Research and development), to enhance the quality of the product, attracting more customers.

The impact model of social media on consumer behavior is used to understand how different factors in social media affect the decision-making process and behavior of consumers. It helps researchers and marketers identify and analyze key variables that influence consumer behavior in social media interactions to inform marketing, advertising, and communications campaigns designed to engage and influence consumers through social platforms. It informs strategic decision-making processes for businesses, guiding resource allocation and investment in social media marketing efforts based on their expected return on investment.

For example, from the model, the correlation between the professional level of opinion leaders and perceived value is the strongest, which means based on the results, the effect of the professional level of opinion leaders that brings to consumers' perceived value is the most significant. Therefore, firms can maximize the value of their product to consumers that consumers perceive, with limited budgets, by providing training for their representative influencers to improve influencers' product-related knowledge. The improvement of the professional level theoretically will affect the perceived value most cost-effectively, then, the feeling of value perception drives consumers to buy the product, promoting sales for companies. Apparently, profit maximization is the main goal of firms, where profit is the difference between total revenue and total cost, since the total revenue increases due to the enhancement in the perceived value of consumers, with the most efficient promotion way, profit will be undisputed to rise.

Although the correlation between the professional level of opinion leaders and perceived value is the strongest, in some cases, such as in the future renewal research about this topic, if the correlation between the consumer interactivity level and perceived higher, firms can use strategies such as encouraging BCG (User-Generated Content), to stimulate the interaction among consumers, leading to the consumers' perceived value increases, and thus, the purchasing intention from consumers will increase, increasing firms' revenue in another way.

6. Evaluation

Of course, there are areas for improvement. The limitations of this article are that most respondents to the questionnaire survey are from Jiangsu, China, and a large part of the respondents are from our school, so the data may not fully reflect a larger population size. In addition, for respondents, using the numbers one to five to judge their perception is a bit abstract, their recognition of perceived value and risk can be various, and no criterion can be quantified very precisely for those perceptions.

If there is still an opportunity in the future, the research can be renewed, with a larger scope of investigation and survey population size. The more data collected, the more precise and accurate the analytical result will be, while the model can be developed more advanced. An accurate and well-developed model can provide enterprises or organizations with more accurate information about social media to improve their digital marketing strategy.

7. Conclusion

In conclusion, this dissertation takes a comprehensive look at the impact of social media
on consumer behavior, with a particular focus on the intricate interplay between perceived value, risk, and purchase decisions. Through the development of quantitative models, some key factors have been identified that influence consumer perception and follow-up in the digital marketplace. Based on the analysis according to the results, the four independent variables including the consumer group size, the consumers' interactivity level, the activity level of opinion leaders, and the professional level of opinion leaders, have a positive relationship with perceived value and a negative relationship with perceived risk. Meanwhile, the perceived value positively affects the consumers' purchasing decision and the perceived risk negatively affects the purchasing decision.

This dissertation contributes to a deeper understanding of the complexities inherent in online consumer behavior and offers valuable insights for marketers seeking to effectively leverage social media platforms to drive consumers to purchase.

Going forward, continued research in this area is essential to keep up with evolving trends and technologies in the digital space, ultimately informing strategies aimed at optimizing the consumer experience and driving sustainable business growth in an increasingly connected world.

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