The Influence of Internet and Social Media on Purchasing Decisions in Egypt and a Comparison between Egypt and Kuwait

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ABSTRACT
This research aims to investigate the role of social networks in influencing purchasing decisions among consumers in Egypt; moreover, compare results from this research, and the one obtained in the previous study about Kuwait. The methodology used for this research is the quantitative methods, analytical techniques to get the results, and the research developed a measure to study the relationship between the variables for the study and selection of a sample of (87) consumers (69 males, and 18 female). The researcher used was social networks (The exchange of information, Product Rating, Consumer support) as an independent variable. The dependent variable was consumer intent to purchase. Result mostly was predicted such as traditional advertising (TV, Newspaper, Magazine, Billboards) are more effective than the social networking, contradicting Kuwait's survey. Results also indicate that Internet users in Egypt prefer mostly Facebook and WhatsApp, while Kuwaitis are preferring Instagram and WhatsApp. In light of these findings, the study made a series of recommendations; the most important are the executives and sales representatives, need to understand the benefits offered by social networks, and understand the advantages and functions and tools of social communication, and knowing how to apply them effectively and efficiently, and then use the appropriate social networking tool.

Keywords
Small businesses, social media, Social Networks, marketing, customers.

1. INTRODUCTION
Today the media is dramatically changed from TV, newspapers, magazines, and Billboards to the Internet and social media. Fortunately, TV still keeping it positions around the media world, while printed newspaper dropped considerably. World Wide Web can make a person to become a publisher, and send his message to all parts around the world at virtually no cost.

This study seeks to provide a comparison between Egypt and Kuwait of the social networking and their different effects on the exchange of information, product evaluation/ Rating, and consumer support. The companies realized that the Internet and social media are an important field of advertising and promoting products and services. The Internet and social networks have made great audience to express freely their feelings and opinions, in addition, the wide use of smart phones equipped with digital cameras, and the ability to link to the Internet from anywhere led to raise the ceiling of freedom of expression and access to information, and the ability to connect in an unprecedented way. It also helped consumers to compare quality, prices and services. The study considered the great difference in population, Egypt 92 Million, and Kuwait about 4 Million (including non-Kuwaiti working and leaving in Kuwait). The study also considered the lifestyle, and difference in the average per capita income ($10,000 for Egyptians, and 20,000 for Kuwaiti).

2. PROBLEM STATEMENT
In order to win customer's loyalty for the brands the company must follow a certain strategy to ensure repetitive purchase of the product. Companies are seeking to understand social media user's behavior, and to improve his knowledge on the product, and ensure his loyalty. The social media provides the company with wealth of information by reading customer's comment. The use of social networking sites may achieve these goals. Finding a new customer is an important marketing, marketers also seek to achieve lasting and continuous communication between the company and its customers. The fundamentals of marketing through social networking are to work in the marketing of the brand, increase customer's knowledge, and to increase the number of visits to the company's website.

The social media can be media sharing websites, blogs, or forums; all are under the category of social networks. Young people can now have an interactive discussion, on any subject, political, social, and businesses with almost everybody, permitting them to share their experiences and valuable information. Companies realized that how social media is very effective, powerful and widely used; it represent a large diversity of new opportunities to promote their products, products and services. Key business factors of social media allow consumers to evaluate products, make recommendations to friends and acquaintances share any recent business experience through social media. The research will answer the following questions: Does Social Media affect

consumer decision-making in Egypt. Is there any relationship between use of social media and reaching out to more Egyptian customers? Is social media advertising become more important than traditional advertisement in TV and press in Egypt?

3. THE IMPORTANCE OF THIS RESEARCH

Teenagers and young adults are spending more time on social media more than any other leisure activities except for sleeping. The potential influence that social networking is doing is widely noted, and is growing exponentially. Usually, people tend to talk about things that attract their attention. As the number of people within the network grows, it will attract more people, and thus increasing communication. Usually social media subscribers put their personal information; including age, gender, interests and location, the companies benefit from this information to develop the most appropriate ads. The ads may be in the form of a panel at the right of page on Facebook, or on the top of the page on Twitter.

Social Networking became Word-of-Mouth; it can cause huge effect on product connection, product awareness, and decision-making. There is a relationship between integration of social media regarding brand awareness, service development, and brand engagement. Many businesses observed an improve in sales if social media were involved. Businesses have been found to be slower than consumers to adopt social media are. This is found to be the case, despite the high growth in consumers using social media and the identified advantages of using social media e.g. strengthening of customer relationships. (Andzulis et al., 2012)

Major social media sites
Facebook, Twitter, Instagram, YouTube, LinkedIn, Google+, and Others.

Objectives of the study

1. Provide an explanation of purchasing behavior for social network's users in Egypt, and using social media as an online tool for companies to engage with their customers.
2. Analyzing the impact of the independent variable (social networking) in the dependent variable (Consumer purchasing decision).
3. A comparison between Egypt and Kuwait on how companies are affecting purchasing behavior of social media users.

4. LITERATURE REVIEW

Abdel-qader (2015), introduced "The role of social networks in influencing the purchasing decision of the consumer via the Internet"; this study measures the role of social networks to influence students purchasing decision making at Al-Qassim University, the study used the analytical Methodology to get to the results. The researcher developed a technique to measure the relationship between all variables in the study. A sample of (524) students was chosen from the University of Al-Qassim. The study based on the descriptive analytical approach by reviewing the literature on the theoretical administrative web 2.0, social networks and online consumer purchasing behavior. The results indicated that the social networking dimensions (exchange of information, evaluation of product) possess an impact on the purchasing decision, while the results showed the absence of influential dimension on consumer support as one of the dimensions of social networking in influencing the purchasing decision.

No significant differences between males and females (sex and age variables), using social networks (exchange of information, evaluate the product, consumer support) due to the sex and age variable. In light of these findings, the study made a series of recommendations. The most important: the need for the managers, marketers, and web designers to understand web 2.0 features and the advantages offered through social networks. In addition, to understand the advantages and functions and tools of social communication and knowing how to apply them efficiently and effectively, and choose any of the areas of social networking. It needs to be improved and then uses the appropriate social networking tool.

Bhalla, (2015) performed a research on "Facebook Advertising: The Social Commerce Lifeline for Small Businesses" to understand how consumers interact with social media — especially Facebook - during the research and in-store stages of their shopping experience. The study performed on 1,000 US adults aged 18-29 years old, who are interested in buying products and services from local/small businesses.

The results was 80% of respondents do their digital 'hunting' at least once a week before stepping into a physical store. 62% of respondents believe Facebook is most useful for researching small businesses before visiting in-person, compared to Twitter (11 percent) and Pinterest (12 percent). 58% of the respondents engage with Facebook advertising from a small business at least once a week before buying an item in-store.

84% of respondents believe local deals/offers on Facebook are important in their decision to purchase an item in-store. 40% of respondents believe Facebook offers are most likely to influence them to make an in-store purchase from a small business.

80% of the respondents are more likely to purchase products or services in-store from a small business if there are positive customer reviews/ratings on the company's website, mobile site or Facebook page. 38% of respondents believe Facebook offers that can be redeemed in local stores are most likely to influence them to visit the website of a local/small business.
Restaurants (38 percent) take the lead in the type of business with the highest level of Facebook engagement. Meanwhile, beauty/spa (14 percent) and education/training (14 percent) tie for second place.

5. SOCIAL NETWORKS MARKETING

The companies through Instagram publish weekly pictures of its activities and products; these images get a lot of "Likes" and comments that benefit the companies.
Not every major social networking site to do the right thing; Instagram, for example, might be suitable for selling dresses; however, Facebook may be the suitable social media for a company specializing in the sale of construction materials.
Marketing through the social networks, can be defined as the use of social networks for sales, marketing, public relations or customer service. These tools allow customers to interact with producers rather than a one-way communication, as it allows companies to open connection channels with the customers. The social networks have provided businesses with unprecedented opportunities to deliver their marketing messages to their customers directly.
Companies can also use social networking to improve public relations, support channel, and to improve the possibilities for

the sales department to deliver the highest value to its customers.

Social networking provides a strong environment for users to share and exchange views and experiences about things that matter most. Users employ social networking for various reasons, such as building a mental picture, access to information of interest and entertainment. The need to belong is one of the main driving motives to participate in a social network, which make it prominent at those of other traditional tools such as chat rooms, email, forums, and electronic publishing. The Internet and mobile web became a place that people's opinions are the driving force for social and commercial argument. The new era of consumer culture, mostly belong to the Internet and mobile web, in which the power shifted from organizations to individuals.

The electronic consumer behavior is no different from the traditional consumer. In both cases, various elements, such as product presentation, product handling, product quality, price, and many others influence the consumer behavior.

Social media and the companies:
YouTube gets a billion unique visitors per month, and six billion hours of video are watched per month from all over the world. It estimated that about 100 hours of uploaded videos every minute. YouTube may be the most powerful marketing network if a marketer uses video to promote his product, where possible through this network to reach millions of people around the world if they are used properly. There is a famous concept in product marketing, that the product needs to emerge from 6 to 8 times in front of the customer's eye before deciding to buy it. The social media can provide this facility by steadily repeating it advertising co convince the customer of its benefits.

Throughout the social media, companies are providing basic information such as about the company, mission, company overviews, contact us, and events.

The Internet and mobile web provide more tools to perform the following:

- Marketing of Products & Services
- Online sales
- Connecting with customers and suppliers
- Brand support
- Reduce costs
- Contact businesses

6. METHODOLOGY
Based on the theory of a survey was created with questions relevant to how Internet and social media can help companies to increase marketing and sales. The methodology based on quantitative methods, and focusing on numerical data (Bryman & Bell, 2005; Olsson & Sörensen, 2011). The researcher tries to find a repeated manner, to see if there is relationships between different variables. Since there is no data in this research about how companies integrate social media in their organization, it was decided to use a quantitative method.

7. THE STUDY VARIABLES
The independent variable: social networks (The exchange of information - Product Rating - Consumer support).
The dependent variable: consumer intent to purchase.

- **Participant selection:**
In this research, a random participant was used for the interviews and explain the questionnaire, which means that most of the interviewees were chosen from among young

people between ages 21 to more than 30 years, simple random sampling, and area sampling.

- **Survey Procedure**
The survey was handled to (87) Egyptians (69 males, 18 females), divided into three groups (21 to 25, 26 – 30, more than (30) in all are leaving in Cairo. Twelve questionnaire results were excluded for lack completeness and suitability for analysis, bringing the total number of valid questionnaires (87).

8. RESULTS AND DATA ANALYSIS
The study will emphasize the comparison between Egypt and Kuwait concerning the role of the social networks on purchasing decisions; the three dimensions in the study deal on the exchange of information; evaluate the product and consumer support. Most of the (87) respondents with a high degree education (76% University, 11% applied education, and 13% others).

- The study shows that Internet users in Egypt prefer mostly Facebook and WhatsApp to communicate with family, friends, and other people. On the other hand, the companies are using Facebook and twitter, mainly for advertising, promoting products and services.

- About 40% of the Internet users in Egypt are spending 1 hour on social media, and about 69% are spending between 1 and 3 hours.

- Entertainment, cultural, and socialization is the main reason for using social media.

- The results showed no significant differences between males and females in perceptions about the influence of social networks to share information, evaluate the product, and consumer support. The same results obtained by Abdel-qader (2015)

- The survey results in Egypt and Kuwait indicates that there is no significant difference between users in Egypt, and Kuwait concerning the objective of using social media; both are using it mainly for entertainment and socialize with family, friends and other peoples. On the other hand Kuwaitis are using social media for commercial reasons more than the Egyptians due to the lifestyle, and difference in the average per capita income ($ 20,000 for Kuwaiti, and about 10,000 for Egyptians)

- There is a difference in the perceptions of the sample concerning product evaluation and product support; the age groups less than 21 years old are less interested. There is the heterogeneity between groups less than 21 years old and the older ages, this difference in favor to the above 21-age group; they are of the class that entered the field of work and have a steady income. The consciousness of the age group less than 21 concerning services that can be obtained from social networking will be less, compared to other age groups (above 21). As for the exchange of information on social networks, there are no differences among the perceptions of those age groups. The same results obtained from the previous survey for Kuwait.

- The results for visited social networking sites to search for their preferred products, shopping centers and restaurants in Egypt, accounted for 51%, while 32% indicated that they do so occasionally, and 17% said they do not. This is completely contradicting results obtained in Kuwait; search for their preferred products, shopping centers and restaurants, accounted for 12%, while 42%

indicated that they do so occasionally, and 46% said they do not.

- These results suggest a good reliance for Egyptians on social networks in the review of products, shopping centers and restaurants that they like, and that the manufacturers do use social media effectively. The Egyptian survey results are matching Bhalla findings that 80% of respondents do their digital scanning at least once a week before intend to the store.

- Read reviews, "likes" or recommendations for products, restaurants, and stores in Egypt show that 56% answered yes, 23% sometimes, and 21% disagreed. This is a good sign, as the availability of information on the social networking helps to overcome the uncertainty for customers buying online. The results of Kuwait's survey is slightly different; it show that 36% answered yes, 45% sometimes, and 19% disagreed. The results indicates how to use the exchange of information in order to improve effective communication and marketing, and the role of verbal promotion in the marketing, and how it can be considered a confidence factor when buying products and services from websites. In addition, the important role of exchange of information and oral marketing in purchasing decisions-making mechanisms. Moreover, that the best marketing possible is through recommendations from friends. The same results obtained by Bhalla, 80% of the respondents will be encouraged if there are positive customer reviews/ratings on the company's website, and they will be more likely to purchase products or services in-store from a small business.

- Results on using traditional advertising such as TV, Newspaper, Magazine, Billboards are more effective than the social networking in Egypt came as predicted 63% agreed, 20% sometimes, and 17% disagreed. The results indicate that online shoppers trust the information that is exchanged for the products more than any other means of advertising. In addition, even exchange of information did not lead to buying decision; it is providing many opportunities to gather information about it. These results contradicting Kuwait's survey, 23% agreed, 36% said no, and 41% said sometimes. The only explanation of this contradiction is Kuwait demography is a small country with population of (4) Millions occupying relatively small area with average per capita income ($20,000), and (10,000) for Egypt.

- Exchange of product information with others in the social network improved dramatically. Their views increasingly a driving force in the field of trade and play an important role in other purchasing decisions. Shoppers are trusting – to some extent - information about a certain product posted by large number consumers more than any means of advertising.

- Trusting information posted on social networking in Egypt came, as expected, people are not 100% trusting information posted on social networking, 36% trust the information, 48% sometimes, and 16% did not trust. The same pattern came for Kuwait's survey 9% trust the information, 68% sometimes, 23% did not trust.

- About 35% agreed that social media increase knowledge and culture about products, shopping center, and restaurants, 18% said sometimes, and 47% disagreed. The result indicates that 53% of respondents have to surf social networking sites to increase their knowledge about the products before going over the points of sale. These results slightly different to Kuwait survey, 40% agreed that social media increase knowledge and culture about products, restaurants and shopping center, 13% disagreed, and 47% said sometimes.

- About 9% of respondents were using social networking for commercial reasons. In addition, around 44% using social networking for entertainment, 33% social, and 14% cultural. Facebook overcome most of the other social media (Twitter, Instagram, YouTube, etc.). Kuwait's survey show that 34% were using social networking for commercial reasons, which is much higher than the Egyptian survey, again this is due to lifestyle of the Kuwaitis. Social media users in both countries are more likely to purchase a favorite item, products or services in store if there were positive customer reviews or ratings on the social media or the company's website.

- About 65% of respondents are not sure of integrity of the information posted on social media, and 35% trust the information. These results slightly different to the Kuwaiti survey, about 77% trust the information to certain extends.

- Product rating in some social networking, allows consumers to evaluate the product, and demonstrate either they prefer the product or not. Product rating evaluated on a scale one to five, one is the lowest, and five are the highest, which enables an easy way to measure how successful the product is. Product ratings are now common in many social media sites.

- About 51% of respondents benefited from advertisements that appear in social media. They said that promotions and offers posted by small and medium business on social media, sometimes better than that offered by the point of sales. This result is different to the Kuwaiti survey, 87% of respondents benefited from advertisements that appear in social media.
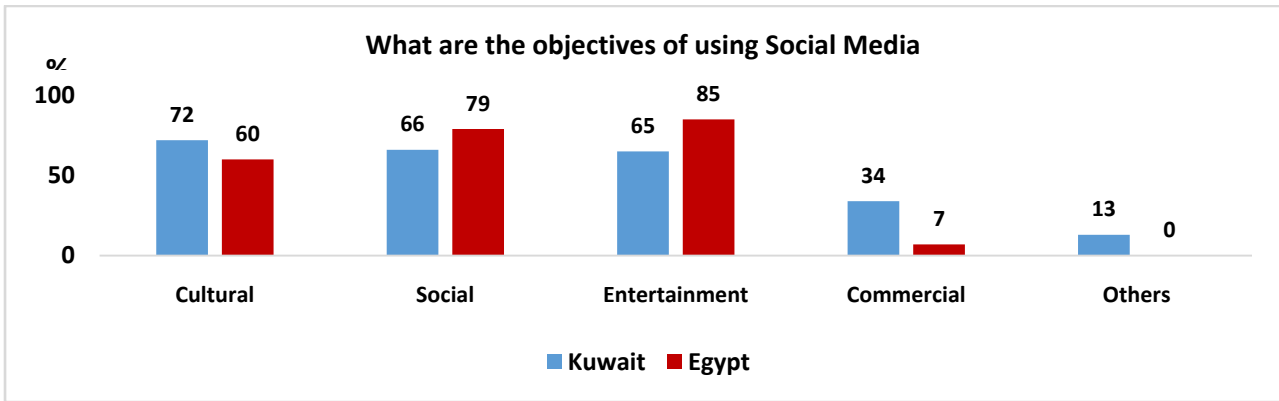
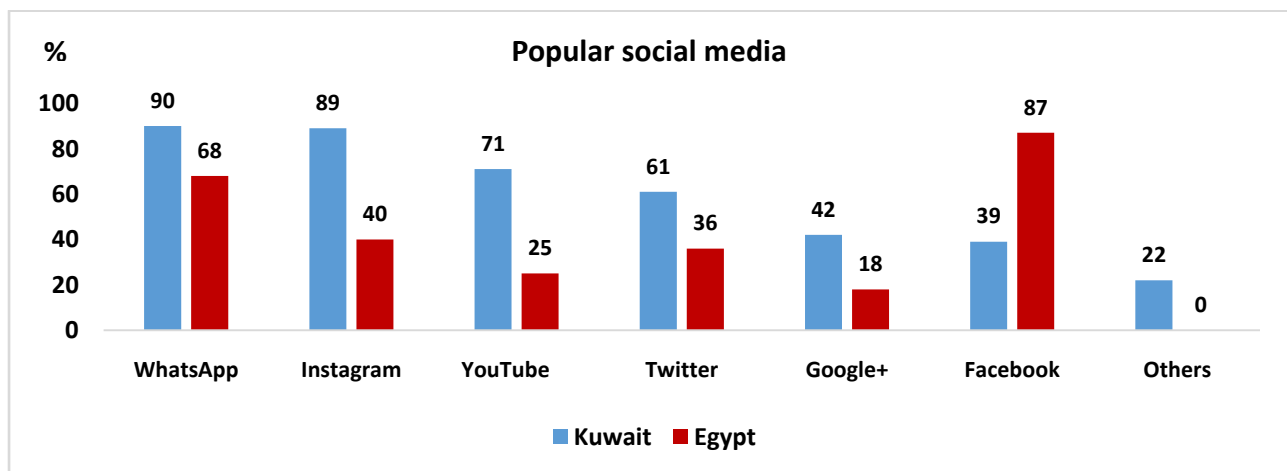**Fig. 1: The objectives of using Social Media**
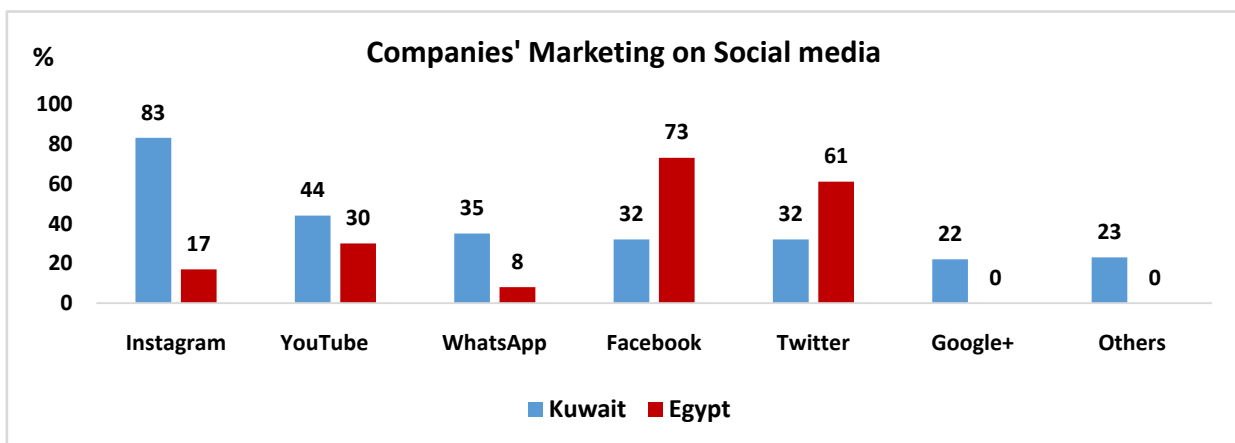

Fig. 2: Popular Social Media

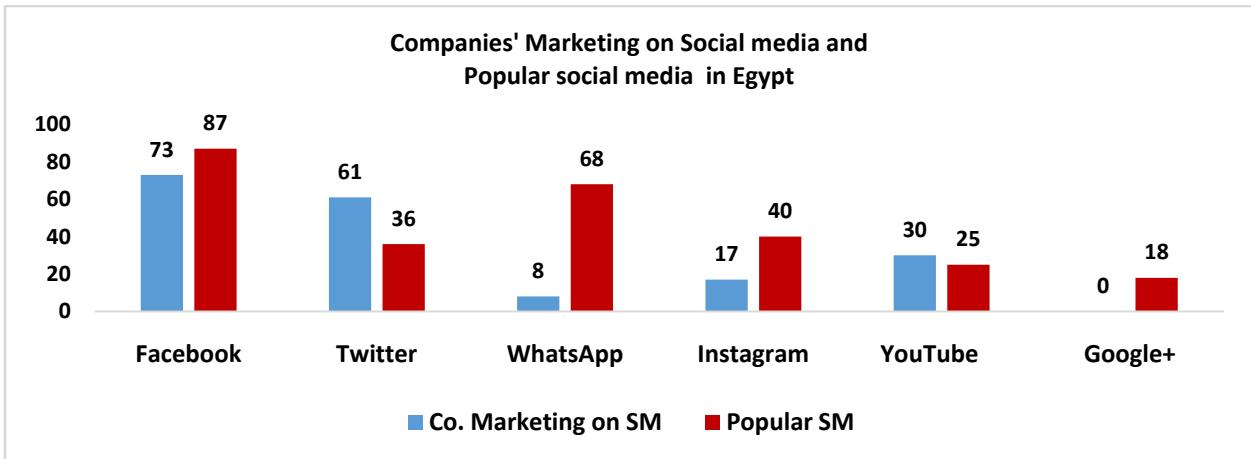**Fig. 3: Companies' Marketing on Social media**

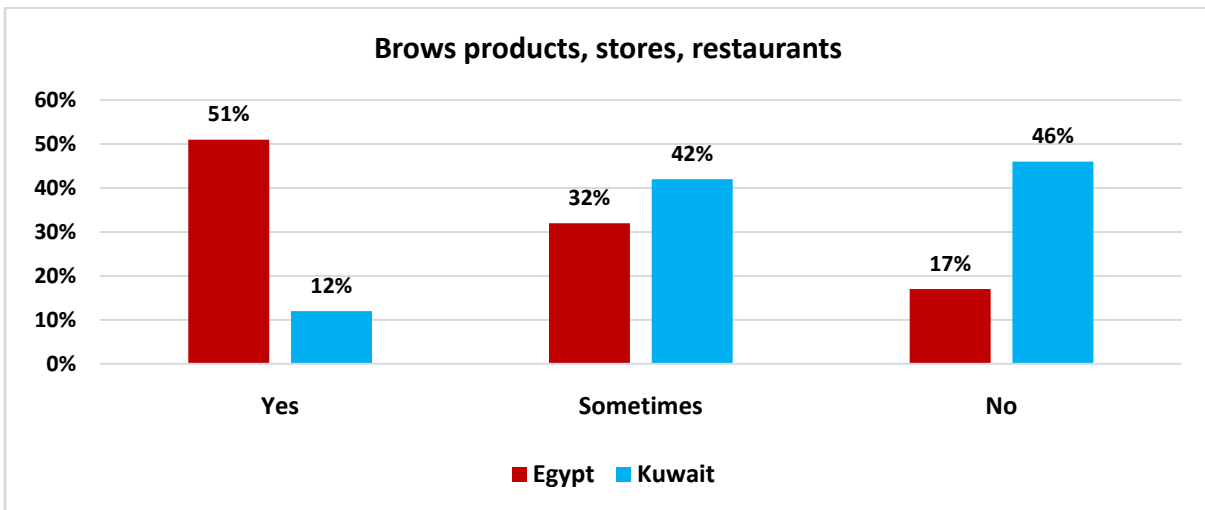**Fig. 4: Companies' Marketing on SM and Popular social media in Egypt**

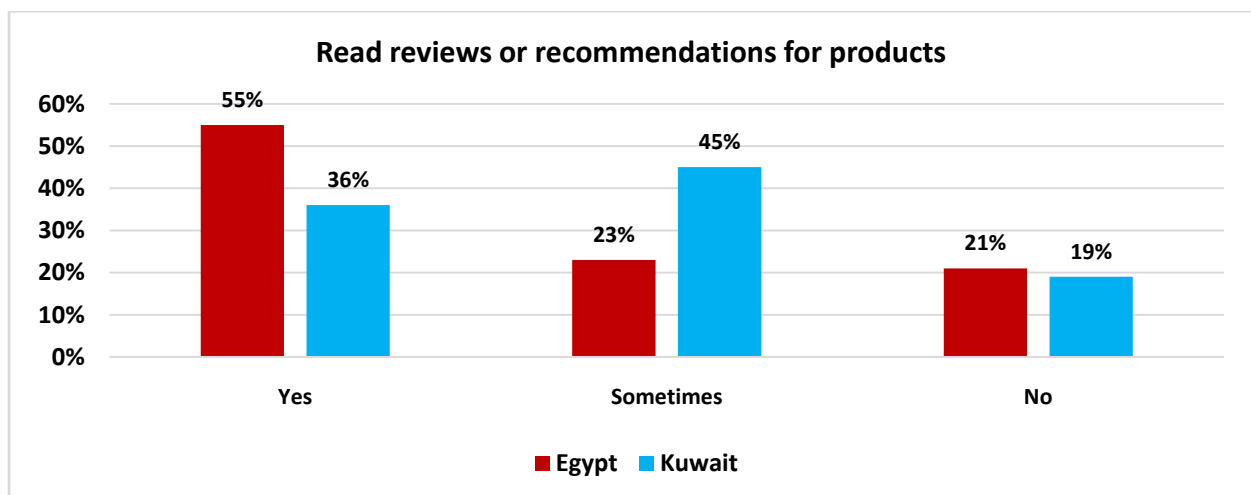**Fig. 5: Search for products, stores, and restaurants on SM**

Fig. 6: Read reviews or recommendations for products
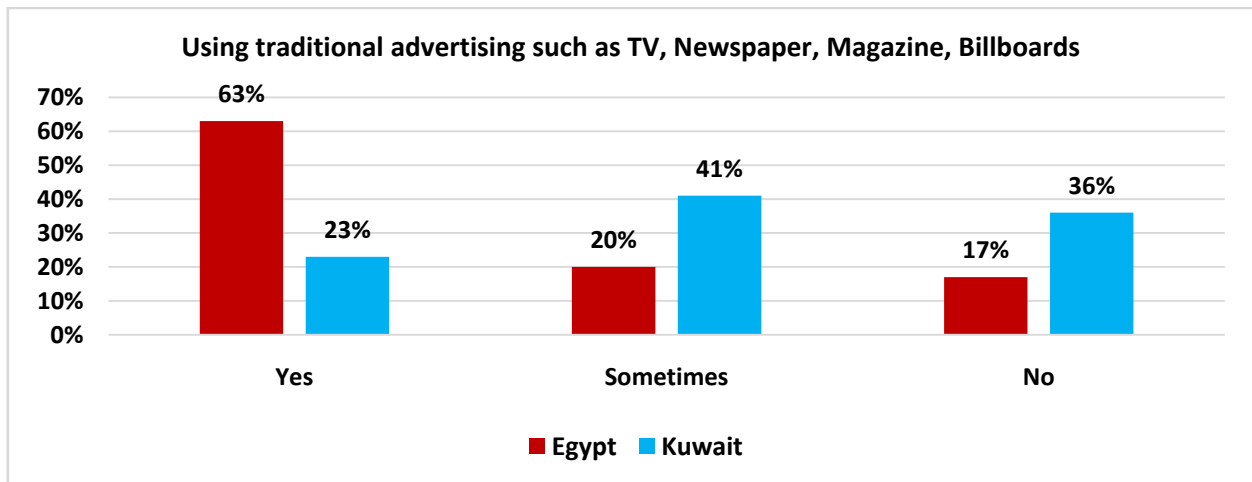
Fig. 7: Using traditional advertising such as TV, Newspaper, Magazine, Billboards are more effective than the social networking

9. CONCLUSION

This research suggests that social media have created a phenomenon over the last decades. Facebook, Instagram, WhatsApp, and Twitter have emerged as the most popular websites and have continued to grow in popularity. Social networking websites also offer new and innovative ways to communicate with other individuals in a quick manner. Individuals are using social media at increasing rates and visiting them quite frequently. These websites create new opportunities for the companies to promote it products, and communicate with customers. This study makes an important contribution in understanding the role of social networks in influencing purchasing decisions among consumers in Egypt; moreover, compare results from this research, and the one obtained in the previous study about Kuwait. The comparison indicates some difference in social media usage due to lifestyle of Kuwaitis and the limited average income for the Egyptians.

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