



**ACADEMIC RESEARCHES in
SOCIAL, HUMAN AND
ADMINISTRATIVE SCIENCES**

Editor
Assoc. Prof. Dursun Balkan, Ph.d.

DUIJAR

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*Academic Researches in Social, Human and
Administrative Sciences*

Editor: Assoc. Prof.Dursun BALKAN, Ph.D.

Editor in Chief: Berkan Balpetek

Cover and Page Design: Duvar Design

Printing : First Edition-October 2020

Publisher Certificate No: 16122

ISBN: 978-625-7767-66-8

© Duvar Publishing

853 Sokak No:13 P.10 Kemeraltı-Konak/Izmir/ Turkey

Phone: 0 232 484 88 68

www.duvar yayinlari.com

duvarkitabevi@gmail.com

Printing and Binding: Sonçağ Yayıncılık Matbaacılık Reklam San.

Ve Tic. Ltd. İstanbul Cad. İstanbullu Çarşısı No:48/48-49

İskitler 06070 Ankara/Turkey

Phone: 03123413667

Certificate No:47865

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Chapter-1

Religious Terrorism And Sacred Acts

Eser İDİL

In English, there are lots of ways to describe the feeling of being alarmed. The most used ones are fear, anxiety, horror, and terror. Terror is the overmastering fear. Terrorism is the act of violence towards civilians, using this fear as a medium and every country thus far have lived it at least once. In the 21st century, the biggest branch to conduct a terrorist act is through religion. Religion is being used for justifying killing innocents regardless of their religious views. The relationship between religion and terrorism is a key point to understand the meaning of these acts and how they are connected to each other. The focus of this paper will be trying to understand the connections between the two and how religious terminology finds its place in an act of brutality.

Terrorist acts are mostly conducted in a demand for political power. The contrast between a worldly need and believing to achieve a holy mission creates a dilemma. This dilemma causes others who are not involved to create an illusion that the terrorist acts are just for religious purposes and the responsibility for these acts is the religion itself. Of course, the truth has lots of layers and this paper will try to focus on how to comment on these terrorist acts from different perspectives.

The main purposes of the terrorist attacks are to reach as many people as possible. The religious terrorist “wants a lot of people watching and a lot of people dead” (Simon and Benjamin 2000:71). However, while trying to understand the religious terrorism acts, one should not ignore the fact that not all the terrorism that is connected to religion has a religious background or a purely religious motive (Sosis and Alcarta 2). One of the most used actions that religious terrorism does is using suicide bombers. Pape’s (2005:210) investigation of information on suicide fear-mongering from 1980 to 2003 found that not as much as half of the suicide bombings reported amid this period were religiously propelled. Suicide bombings are highly connected to

religion. Even in the media, it is easy to see a suicide bomber shown as a religious person and the act thus connected to religion and its purposes. Media is used to portray the terrorist, especially self-murder terrorists, as delusional spiritual fundamentalists, brainwashed, and disjointed with the reality. The picture up to expectation is rising beside recent research, however, it is a long way different. For example, Berrebi (2003) has shown as Palestinian self-murder bombers hold over average discipline yet are economically better off than the universal population (Sosis and Alcarta 3). As Atran (2003) puts it if one has decided to become a suicide bomber that person has to have hope in order the conduct this activity. Otherwise, there would not be anyone to want to kill himself or herself for a better chance.

As mentioned, terrorism acts that are connected to religion have political aims. Religion is just providing a path to the terrorist to get what they want, or at least they always try this way to get what they want. According to Sosis and Alcarta there are four essential reasons why religion is a fundamental tool for terrorists.

The first one is how terrorists launch their political arguments by using religion as the frame. This method helps with motivating others who are volunteered in the cause. If it would be just political or economical there would not be many people willing to sacrifice themselves for those causes. This metamorphosis from politics into conformity with nonsecular hostilities encourages actors to discover up to expectation that is participating in something which concerns divine importance as transcends unaccompanied self-interest (Sosis and Alcarta 4). The utilization of religion to change nearby power struggles into inestimable clashes benefits psychological oppressor bunches who may somehow or another be seen as financially and politically self-serving. During a time of immediate electronic correspondences, such religious surrounding of nearby clashes basically serves to widen both the

ideological and geographical base of fear-mongering. A momentary result of the religious encircling of political clashes is the expansion of the skyline for triumph. Fear mongers see that they are battling a grandiose war for a celestial time, consequently wiping out impetuses to win inside one's own lifetime.

The second main reason why religion suits terrorist acts is moral justification. Juergensmeyer (2004) suggests that religion additionally encourages fear mongers' objectives by giving good authenticity to their cause. Whilst legitimizing one's own cause, religions are especially powerful at deriding those with restricting perspectives. The historical backdrop of religion is loaded with cases in which in-gathering interests are stimulated and out-gathering abhorrence is hazardously lighted. Undoubtedly, one steady indicator of suicide fear-mongering is a religious contrast between the culprit and casualty (Pape 2005). Religion can easily be used for creating demons for itself and show the opposite side as the devil. This can be achieved so quickly that anyone who is not the supporter can be targeted without any sign of remorse.

The third one is the belief for afterlife. Humans are eager creatures to know everything. In the age of science, almost everything can be demystified. The only thing that humans will not know is what happens to us when we die. On the physical level, it is known too, however, when it comes to the *soul* there is no explanation. The scientists do not accept an idea of a soul but for a believer to any of the monotheistic religions, the soul is the one that will get the benefits of the afterlife or get eternally damned for its actions while it was alive. Since martyrdom is the guaranteed way to get the awards of the afterlife, no matter what you did when you were alive, religiously motivated terrorists accept this opportunity like a one-way holy ticket. So once a terrorist decides to conduct his/her act in the name of religion, the

belief for a better life or a place after death can give the terrorist the justification and the reason to do what he/she does.

The fourth and also the highlight for this paper is the religious symbols, myths, and rituals. Religion is an umbrella term for many people around the world where they feel belong and in a commune. Religion is a gathered conviction framework typically loaded with customs and ceremonies in support of the framework and its center convictions. It makes individuals feel they are a piece of something and can be an awesome apparatus for some in life. Beliefs, on the other hand, have no restrictions. They can be singular convictions or basic convictions. Convictions are ordinarily aftereffects of one's molding. Your condition, qualities, encounters, and a gathering of how you see the conditions, make your conviction. When you belong to a religion, the essential part is that you being a believer in that religion and nothing more. This makes individualization to take an end and present cognition for more of a unified group. The following rituals are important for religious-based terrorist groups. The most effective symbol can be considered martyrdom. Religion gives the ceremonies and images to both persuade and memorialize these nearby saints, who believe in martyrdom, in this way bearing them a generally unattainable status that is likewise endless.

To give up your life in the name of something greater than yourself is a tradition that starts with the Roman Empire. The martyr was a person who was killed for their testimony for Jesus. Etymologically the word martyr comes from Greek *martus*. *Martus* means a witness who vouches for a reality of which he has learned from individual perception. With Christianity martyrdom found a place to nourish itself. G.W. Bowersock's view of Christian martyrology as being completely unrelated to the Jewish practice, being instead "a practice that experienced childhood in an altogether Roman social condition and afterward was

obtained by Jews.” Bowersock argues that the Christian tradition of martyrdom came from the urban culture of the Roman Empire, especially in Asia Minor:

“Martyrdom was ... solidly anchored in the civic life of the Greco-Roman world of the Roman Empire. It ran its course in the great urban spaces of the agora and the amphitheater, the principal settings for public discourse, and for public spectacle. It depended upon the urban rituals of the imperial cult and the interrogation protocols of local and provincial magistrates. The prisons and brothels of the cities gave further opportunities for the display of the martyr’s faith.”(Bowersock)

In Christianity, being a witness was all it took for becoming a martyr. Crusades played a huge role in the concept of martyrdom. They helped to extend and broaden the meaning. In *The Crusades: An Encyclopedia* the changed concepts of martyrdom has explained:

“Martyrdom was also a feature of stories of chivalry, such as the Chanson de Roland, which told of Emperor Charlemagne’s battles against the Moors of Spain, and thus it was part of the mentality of the arms-bearing elite: the knights whom the pope wished to enlist to fight against the Turks in 1095. The papacy had already been responsible for changes in the idea of martyrdom. *The early martyrs had been passive figures, but from the ninth century on, some of those killed fighting Muslims or Vikings in defense of the church had been referred to as martyrs. In the eleventh century, Pope Gregory VII had extended this usage to supporters who defended the*

papacy in its struggle against the abuse of simony as well as against the anti-pope. Pope Urban II was aware of this usage of martyrdom, and according to four accounts of his speech at the Council of Clermont (November 1095), he alluded to martyrdom in his address to the clergy and laity that inspired their participation in the First Crusade (1096-1099).” (619)

However, with the rise of Islam, the meaning of martyr has changed again. Shahid happens regularly in the Quran in the non-specific sense “witness”, however just once in the sense “martyr; one who dies deliberately for his faith”; this last sense gains more extensive use in the hadiths. For the terrorists in the 21st century, the martyr is a way to show the belief, gain access to the holy world, and justify the actions that have been made. According to James Jones, religiously motivated terrorists are the hardest to fully understand and take precautions:

“For the religiously motivated terrorist, acts of violence in the name of God become “ultimate concerns,” that is they take precedence over any more mundane commitments. As ultimate, sacred concerns, these acts take on an overpowering, transcendental necessity for the believer. In the eyes of their proponents such as “acts of terror” become a spiritual necessity. Love and duty to the family must not stand in the way of duty to God or to the sacred land. No secondary commitments must be allowed to interfere with a commitment to Jihad, to the “unborn,” to Greater Israel, to Hindutva. Thus sacred terror is non-negotiable terror. It is no wonder that research finds that counterterrorism interventions that threaten or seek to bargain with religiously motivated terrorists only evoke greater scorn and rage: asking someone to trade their ultimate values

for financial gain or greater political power is universally understood as the voice of the devil.”

Another question rises when it comes to religiously motivated terrorism. Since every act is conducted in believing something sacred, the meaning of what is sacred and what is profane needs to be explained. Sacred comes from the Latin word *sacer*. Per contra, *sacer* at the same *time* means accursed. It contains both meanings. According to Agamben, the two meanings of the *sacer* differentiate what is profane and it comes closer to being holy instead (Agamben, 162). Profane, like *sacer* comes from Latin *profanum*. Pro-fanum literally means the front, out of the temple. It describes the things that are not sacred and out of the sacred.

The symbolism and mentioned the difference between the sacred and the profane is a crucial point for understanding the terrorist acts. Rituals are the way to get to the sacred and recognize sacred over and over again. Rappaport (1999) states that ritual does not merely identify that which is sacred; it *creates* the sacred. Creating sacred causes to constitute an emotional connotation with the sacred items. When a thing is holy or sacred, one cannot treat them as it treats any other profane items. The emotions are what make the faith and that causes us to invest in the sacred. Religious rituals manage memories, state meanings, and furthermore cultivate these feelings. Religion’s dependence ahead such inwardly reminiscent images likewise demonstrate the reason religious terrorist aggregations need aid a greater amount fruitful over mainstream ones in mobilizing their constraints (Bloom 2005).

When commenting on religious terrorism, other factors also have to be in consideration. Even though religion collects different people from different backgrounds, the people who join these acts might have political, racial, and ethnic problems. In order

to express themselves and take action against the situation they are in religion becomes the first used tool. Religion can combine lots of followers underneath its umbrella. Through the rituals, it can convince people to stay and kill others to get what they want. The paradox is that if a suicide bomber kills himself/herself for the thought of afterlife, there is no real assurance that, the action they took helped the situation in the world of the livings. If terrorist acts are still problems that keep happening, that means this paradox is not a thought for a suicide bomber. A terrorist does not care about the lives that are taken because he/she thinks the deeds that are required from him/her are completed. Creating a terrorist organization in order to prove the righteousness of the causes it possesses creates its own sacred rituals to do what they do. With the help of the religion and the beliefs that are added to it, every terrorist organization composes itself uniquely.

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Chapter-2

**Consumer Decision-Making While
Online**

Funda BAYRAKDAROĞLU

1. Abstract

Discussion of decision-making and consumer decision-making styles is one of the topics upon which academic interest has concentrated in recent years. In fact, at the center of consumer research lies the understanding of how consumers decide whether or not to buy. Moreover, lately, consumers from all over the world have increasingly purchased online, and this trend has led to the need to understand what kind of decision criteria consumers consider when purchasing online.

In this regard, this chapter examines the process of decision-making from a psychological perspective, then the nature of the online platform which serves as a different environment within which to make decisions, the structure of online consumers as decision makers, and finally the dimensions of “online consumer decision-making styles,” as put forward by Sam and Chatwin (2015). Their seven-factor model consists of; high-quality, become buying habit conscious consumer, brand conscious consumer, novelty-fashion conscious consumer, price conscious consumer, product portability conscious consumer, website content conscious consumer, and website interface conscious consumer.

Keywords: Consumer Behavior, Decision-making, Online

2. Introduction

Every day, people make a vast number of decisions, from the very simplest to the most arduous. Each morning when we wake, we first decide what to eat, then choose what to wear and perhaps which of the alternative vehicles to use in order to travel to work. These are examples of simple everyday decisions. However, what about decisions regarding investments, getting engaged to be married, or moving abroad for education or work? Those are considerably harder decisions to make. For some decisions it takes but a millisecond; however, in other circumstances it may

take months or even years to come to a decision such as buying a house or contemplating surgery. Sometimes, we may even feel regret after buying a certain car, being with a partner, living in a certain city or working for a particular company or institution. As can be seen, decision-making is a humanitarian activity that is based on multiple causes and can result in multiple outcomes.

Decision-making is the core research topic in the field of consumer behavior due to its place as such a vital activity in human life. Making decisions is an activity that never ceases; continuing right through to the end of life. However, it changes when the conditions under which decisions are made evolve. In other words, when social, economic, cultural or demographic conditions of the consumer change, the decision process automatically differs in line with the conditions.

Research on the decision-making process of consumers predominantly focusses on individual and environmental factors; whilst limited research has been conducted on the comparison between the consumer store environment and the Internet environment. When the effect of the Internet is considered, it is expected that the decision-making criteria of consumers changes intrinsically. Today, in almost every decision-making field such as tourism (Mehrbakhsh et al. 2018), finance (Xiao and Yue 2018), learning (Sendurur 2018), and health (Nigam et al. 2019), consumers take different decision criteria into account prior to initiating expenditure or consumption. İşler et al. (2014) stated that those

...who are more conscious than traditional consumers and have experience in using the virtual environment, use information technologies, follow technological developments, take risks, find the most suitable product with the best prices in the shortest time possible, share their satisfaction or dissatisfaction quickly in social networks and people who take into account others' shares. (p. 79)

In summary, the Internet or online shopping environment has created a new form of consumer. Therefore, it is of significant importance to understand the factors which affect consumers' whilst making purchase decisions within the online "shopping" environment.

3. Decision-Making Under the Abundance of Choice

One of the most unique functions of the human brain is undoubtedly its capability for decision-making (Batı and Erdem 2015). A large variety of brand alternatives and the profusion of information acquired through various forms of media have made decision-making much more complex and significant for today's consumers than in the past (Sam and Chatwin 2015). For example, today's consumers can find hundreds of different types, flavors and brands of chewing gum on the market: Fruity, sugar-free, aspartame-free, dragee and so on. While it may seem advantageous at first glance that there are so many alternatives, a large number of choices/versions/brands can actually make it significantly more difficult to reach the right decision. Therefore, consumer hyperchoice, "a condition where the large number of available options forces consumers to make repeated choices that may drain their psychological energy while decreasing their ability to make smart decisions", has led to decision-making being among the most notable subjects of consumer behavior (Solomon et al. 2010, p. 315). Besides the abundance of choice, for consumers trapped under a pile of marketing messages, decision-making is a high-level cerebral activity influenced by numerous factors (Bayrakdaroğlu and Çakır 2016).

Decision-making, which means making a choice from various alternatives, for many of us is not as static as everyday life implies. Further to that, the decision takes place at the end of the "decision-making process," which is known to have a very dy-

namic structure (McGrew and Wilson 1982). Accordingly, the most common points of the decision-making process can be listed as follows (Yaralıoğlu 2010):

- Since decision-making is future-oriented and uncertain, there is a certain amount of risk, no matter how well the process is planned.
- Every kind of decision imposes responsibility on the decision maker because the future is uncertain and risky.
- Decision-making is also costly because decision-making means a transition from one situation to another and naturally, resources will be used in this transition.
- Decision-making is a process, not a moment in time. The time frame for decision-making varies according to the nature of the decision. The decision maker carries out certain activities during this time period (p. 3).

The evolution of decision-making studies corresponds with the changes in the rationality perception of humans over time. Earlier studies considered decision-making as an entirely rational process, and the most commonly applied model was “utility theory” that assumes the decision maker tries to maximize the utility (Karimi 2013). “Economic man,” so named by neoclassical microeconomic theory, refers to a completely rational and informed decision maker. Moreover, for the economic decision maker, Turpin and Marais (2004) purported that they:

- “know of all possible alternatives;
- know the consequences of implementing each alternative;
- have a well organised set of preferences for these consequences; and
- have the computational ability to compare consequences and to determine which is preferred” (p. 144).

Du Plessis (1990) defined consumer decision-making as the

“behavior patterns of consumers, that precede, determine and follow on the decision process for the acquisition of need satisfying products, ideas or services” (p. 11). Moreover, most traditional research on consumer decision-making has embraced the topic from a rational viewpoint, which assumes that “economic consumers” have all the information they need about a product or a brand. With this high degree of information, they assess the pluses and minuses of each alternative in order to reach a satisfactory decision (Solomon et al. 2010). According to the dominant decision-making theories, people act rationally in their decision-making; that is, they make choices based on objective reasoning and show consistency in their preferences (Batı and Erdem 2015). From this perspective, decision makers think in considerable detail prior to reaching each decision; calculating and making the best choices for themselves. For example, when deciding to buy a car, the rational consumer will take the car’s fuel economy, engine power or baggage area volume into account.

From the view of rational perspective, consumer researchers have put forward a “stage model” which decision makers are said to pass through: Problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior. However, these stages are not necessarily followed in that order (Kotler and Keller 2012). After all, a consumer may skip the steps of searching information and comparing alternatives when purchasing the same regular brand of lipstick, and would instead proceed directly from the need to the purchasing step (Tyagi and Kumar 2004). Figure 1 illustrates the steps which consumers take from problem recognition through until their purchase decision, as well as the evaluation of consumer satisfaction following the decision.



Figure 1. Five Stage Model in Consumer Decision-Making (Kotler and Keller 2012, p. 166)

The initial stage of consumer decision-making is problem recognition, in other words the need arousal or need state which refers to “the result of a consumer’s unsolved problem or a felt (unsatisfied) need or want” (Lantos 2015, pp. 106-107). The reason for defining this stage as problem-related is that the consumer feels the difference between actual and desired state in this phase (Tyagi and Kumar 2004). In the problem recognition stage, the consumer makes a decision about his or her “need,” or simply makes a decision on how to define their “problem.”

In order to solve the problem identified in the previous stage,

the consumer needs to gather a certain amount of information in the second stage. The contribution of the Internet is at the highest level in the information search stage of the consumer decision-making process, and today's consumers can actively seek information in three ways by using the Internet (Marangoz 2014):

- On virtually any website, the consumer clicks on an internal or external link in order to access the information being sought.
- If the exact address of the information store is known, the consumer can access the information wanted direct through the web browser.
- The information needed can also be accessed by performing a web search using certain keywords in search engines (p. 164).

Research has shown that consumers have become increasingly interested in the Internet as a source to gather as much information as possible. A study conducted by the Pew Research Center in 2011 revealed that 92% of adult Internet users use the Internet for broad information searches, while 78% of them take advantage of the Internet for specific product or service searches (Zayer and Coleman 2012). However, reaching valid and appropriate information through the Internet may be a challenging exercise in itself. This is because, although the web is a vast source of information, it is also a source of inconsistent or irrelevant information (Sendurur 2018).

In the stage of evaluation of alternatives, the next stage in the decision-making process, consumers expend the most effort due to the many options they often face. For example, consider the hundreds of different brands (such as for cigarettes) or the different variations of a single brand (as in the shades of a lipstick) (Solomon et al. 2010). If there are many alternatives from which to choose, what should be the ideal number of alternatives pre-

sented to consumers? According to Miller (1956), the ideal number of alternatives that gives the best result for decision makers is seven. Whilst it may sometimes be five and sometimes nine, above and below those limits it is considered that the resultant decisions may not be ideal. Moreover, consumers tend to seek more alternatives in the following cases (Koç 2016):

- If the consumer's morale is high;
- When environmental stimulants are few;
- In cases of consumer boredom due to stagnation and monotony;
- Where there is little or no risk of product/brand switching;
- Where the consumer does not need to make an immediate decision (p. 480).

After evaluation of the alternatives, the consumer usually proceeds with their purchase decision. Actually, the consumer makes five sub-decisions when executing a purchase decision. They are decisions about the brand, dealer, quantity, timing, and payment method (Kotler and Keller 2012). One additional sub-decision at this stage is purchasing environment (e.g., online versus offline environment), because at this stage the decision-making criteria may vary depending on the environment in which the purchase is to be made (Çakır and Bayrakdaroğlu 2018). Moreover, while the rate of Internet purchases increases day by day, there are also considerable drawbacks to be noted due to the perceived risks of online shopping (Marangoz 2014) such as fraudulent websites, phishing, and data hacking.

Following execution of a purchase, whether transacted online or offline, there then follows a stage in which the outcome is evaluated. In the final stage of the decision-making process, the consumer weighs up their satisfaction or dissatisfaction with regards to their purchase decision. Therefore, the marketers' role does not end at the purchase stage: instead, they must take note

of consumers' postpurchase behaviors (Kotler and Keller 2012). The significance of the online environment becomes even more prominent at this stage because consumers are generally more enthusiastic to share their experience or publicize their purchased product/service via social media networks (Tian et al. 2018). For e-retailers, the Internet provides convenience and benefit to consumers for the provision of after-sales service with a structure that provides for a high level of consumer-retailer interaction (Marangoz 2014).

Although many researchers consider there to be no major difference between the traditional and online decision-making process, several academics and practitioners regard the online shopping experience to be a crucial issue in the context of the Internet (Constantinides 2004). Moreover, although there has been increased academic interest in online consumer behavior and decision-making, studies have been very limited where the issues are integrated from a theoretical marketing and consumer behavior perspective (Darley et al. 2010). Therefore, an overview of the online decision-making process, which points out differences from the traditional approach, is significantly needed by the literature. Karimi (2013) formulated a model online purchase decision-making process based on the dynamic interactions between consumers and the online purchasing environment. Figure 2 illustrates this process, starting from need/want recognition and ending with the actual purchase, and restarts again from post purchase behavior.

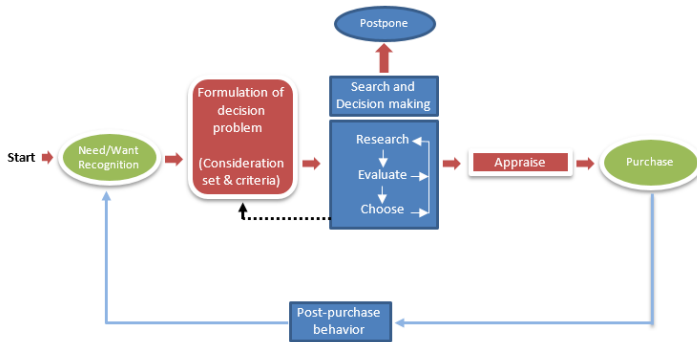


Figure 2. Conceptual model of online purchase decision-making process (Karimi 2013, p. 114)

According to the model in Figure 2, the online purchase decision-making process starts with the recognition of a problem; as in the need/want that is sought to be satisfied. After this stage, the online consumer specifically formulates the decision problem. Based on their formulation of the decision problem, the consumer finds the pool of alternatives by way of searching. At this stage, the process can be delayed due to an extended search operation, cancelled, or continued by choosing one of the selected alternatives. As in the traditional decision-making process, online consumers appraise the outcome positively or negatively. However, unlike the traditional decision-making model, Karimi (2013) stated that the purchase stage must be separated into “choosing the product” and “performing the purchase task” due to the transactional complexity of an Internet-based purchase. At the post-purchase stage, which new era businesses are mostly interested in, online consumers mainly perform e-WOM or WOM, repurchase, or utilize post-purchase services. However, the conceptual model suggested by Karimi (2013) does not fully encom-

pass the interaction between online decision-makers and the on-line environment such as a website user interface, website quality, and so on. An extended model of the online decision-making process which also incorporates these interactions is illustrated in Figure 3.

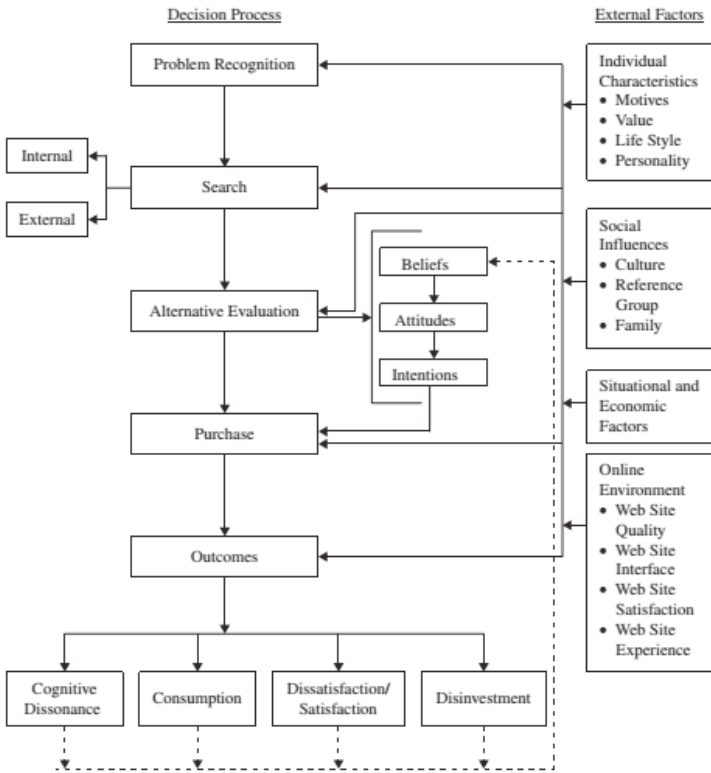


Figure 3. Extended model of online consumer decision-making process (Darley et al. 2010, p. 96)

The strengths of the extended model of the online decision-making process are listed by Darley et al. (2010) as follows:

- It recognizes the central role of the five stages of the decision-making process as well as its moderators, interactions and results;
- It focuses on the satisfaction of human needs rather than an emphasis on technology;
- Finally, it acknowledges that online consumer behavior is a complex phenomenon.

In contrast to the traditional perspective on decision-making, whether it is performed offline or online, many contemporary researchers have disproved the concept that people make decisions rationally. In other words, people are not always able to act rationally or properly follow the prescribed stages of the decision-making process. There may of course be many reasons for this. For example, weather conditions, advertisements seen by the consumer, the environment that the consumer finds themselves in, or some information or notion told to the consumer by another person (Bati and Erdem 2015). Therefore, there is a significant need to undertake a review of online consumers and their decision and purchasing habits particular to the web-based shopping environment.

4. Online Consumer Profile

There is an increasing trend of customers associated with traditional shopping outlets shifting across to the Internet as a new purchasing channel (Wu and Chou 2011). It is therefore significant to understand virtual shopping mechanisms and online consumer behavior for practitioners who compete in the rapidly expanding virtual market (Constantinides 2004). The Internet has created disintermediation in a virtual marketplace which enables consumers to compare the prices and features of goods and ser-

vices, and then to order online from anywhere in the world 24 hours a day, seven days a week from the comfort of their home or office, or through applications on a smartphone or tablet personal computer (Kotler and Keller 2012). As a result, geographical boundaries have become significantly blurred, so much so that e-retailers are now faced with heterogeneous customers who may vary considerably from one another in numerous ways (Bhatnagar and Ghose 2004).

These days it is as easy and natural to buy a product from an Internet store as it is from a traditional shop. Moreover, many of today's consumers buy clothes and shoes from the Internet, as well as more specialized products such as computers or jewelry (Singh and Diamond 2012). While these developments have transformed e-commerce into a mainstream business activity, the online consumer is still evolving and e-retailers have come to realize the importance and urgency to understand this new customer-oriented perspective (Constantinides 2004). Due to various features based on the structure of the Internet, the online environment has created a different consumer profile when compared to the traditional. Berry (1999) suggested an element of segmentation in order to achieve a level of success in the e-commerce world.

Bhatnagar and Ghose (2004) defined online consumers as “individuals who make online purchases or make online price comparisons and then buy from online stores” (p. 758). Therefore, before going into detail, a general categorization of online consumers is needed. At first glance, online consumers fit into three groups: Consumers who purchase online, those that browse online but then purchase in-store, and those that do not shop online at all (Darley et al. 2010). In this chapter, the focus is on those consumers who purchase online or who search online and subsequently purchase offline.

First of all, online consumers are completely free, since there they are faced with no obligation to purchase via the Internet (Marangoz 2014). Correspondingly, these new generation consumers, who are often considered as natives of the digital age, can make a purchase decision at any time and within practically any environment. Although they may be considered competent at using the Internet and searching the Internet for goods or services that they are interested in through traditional communication channels, they may also prefer to experience them physically too (Kotler et al. 2017). İşler et al. (2014) described them as more conscious than the traditional consumer and experienced in using the online environment. Furthermore, they are assumed to be risk bearers, and good researchers in order to locate the most suitable products for themselves, at the best retail price and with timely availability. The profile of the online consumer seems, therefore, intrinsically more complex than the traditional consumer.

Jayawardhena et al. (2007) compiled the common features of “Internet consumers” as those who favor bundled products, need transparent information while online, are older and have higher disposable income, are more likely to be male, are less risk-averse, tend to have less brand loyalty and are likely to switch their preferences, have convenience orientation, pursue sensory experience, and are innovative and variety seeking. Other related studies have also categorized the online consumer. Barnes et al. (2007) proposed online consumer typologies by integrating personality dimensions and cultural factors into the segmentation process among American, German and French Internet users as follows:

- *Risk-averse doubters*: They are the consumers who have the highest perceived risk and lowest trust in online shopping; are extremely painstaking, shy and usually skeptical of new online experiences. They are also expected to shop online infrequently or never.

- *Open-minded online shoppers*: Consumers in this cluster have the lowest perceived risk and the highest trust in online vendors while shopping online. They are expected to have a very positive attitude towards shopping online due to their high shopping pleasure score.

- *Reserved information seekers*: These consumers are typically careful and reserved due to a high degree of perceived risk whilst online shopping. They seem open to online shopping due to a positive attitude toward online shopping, higher shopping pleasure than average, reasonable trust in Internet stores, and a relatively high willingness to buy. However, they mostly research information online and make pre-purchase product evaluations.

A study carried out by Şimşir (2018) revealed three online consumer typologies named “online-shopping-oriented,” “undecided” and “traditional-shopping-oriented” in the context of Turkish online shoppers. Accordingly, the online-shopping-oriented group consists of mostly females who are more frequently engaged in online shopping than the other groups because of the benefits and convenience offered by Internet shopping. The undecided online consumers have a higher average age, and avoid online shopping due to high risk perceptions and their need for interaction through offline shopping, even though they may make online purchasing decisions. The traditional-shopping-oriented group consists of consumers who see shopping as a form of social entertainment, and have a tendency to shop offline because it allows for a more social type of interactive experience.

In another study, Mathwick (2002) suggested four online consumer typologies: Transactional Community Members, Socializers, Personal Connectors, and Lurkers. In this context, transactional community members are those who interact most with online retailers and their customers. Socializers are governed by

stronger communal than exchange norms, and participate actively in community websites devoted to hobbies, politics, religion, and personal support. Personal connectors use the Internet as a means of communication with family and for professional connections, whereas they are less likely than other online clusters to become involved in virtual communities. Lurkers is a typology group that do not use the Internet as a communication tool, and are therefore unlikely to interact with e-retailers.

To conclude, e-businesses need to analyze the shopping behaviors of various online customer typologies, and to then tailor their offerings accordingly, rather than developing a singular product that aims to meet the needs of every customer. Superior e-CRM can be achieved through customer satisfaction and loyalty (Wu and Chou 2011).

5. Omnichannel: The Synergy of Offline and Online

While the world is progressing rapidly towards digitalization, it is clear that the digital environment will not replace the offline experience. Let us consider our daily lives. When we wake up in the morning, most of us check our social media accounts, then we return to the offline world to eat breakfast. When we reach to work, we return to the online environment through the usage of personal computers, and we may even order lunch online, but then we return to offline as we eat the lunch (Dirsehan 2018). This continual transition between online and offline is similar for consumers' purchasing decisions, with marketing activities conducted not only in the digital environment, but simultaneously in both the online and the offline world. According to data from the American Census Bureau, in the first quarter of 2017 most purchases were executed offline (Dawar 2017). In relation to this, consumers still spend most of their time within offline environments (Singh and Diamond 2012). In the digital economy, there

is no singular digital approach; instead, the offline meets with online interactions in a way that creates unique environmental differences (Kotler et al. 2017).

Together with changing technologies, consumers need multiple channels that combine both the online with the offline world. Therefore, digital marketing or the online environment does not have to replace traditional marketing or the offline environment. The two must coexist and cooperate with mutually changing roles and forces. Firstly, the offline environment plays an important role in creating brand awareness and interest to the company. As interaction between consumers and brand/company progresses, the importance of the online environment increases. As the online environment has a more accountable structure, the most important role of digital marketing is to encourage consumer action and advocacy. Hence, combining the online and offline environments refers to combining the style and essence of brand development and to complete the link between machine and machine with a touch of people to people in order to ultimately increase customer participation (Kotler et al. 2017). The combination of offline and online enables consumers to get in touch with brands anytime, anywhere, to be able to access products, services and information from every channel, and to communicate with other customers about brands from all channels. Most importantly, omnichannel, which functions as a bridge, enables consumers to expend minimum effort in these processes (Kantarçı et al. 2017). The traditional omnichannel strategy encourages customers to shop through different channels.

As can be seen in Figure 4, there are four types of consumers linked to the omnichannel strategy. The highest percentage (51%) belongs to the group of consumers who searches online, but then buys offline. Next is the group who operates wholly online (44%); searching for information online and also purchasing

online too, rather than a traditional physical store. Similarly, another group are those who gather information from the Internet, experience the product in a store, then return to the Internet to make an online purchase (32%). The smallest percentage (17%) of consumers belongs to the group who behave more offline than online, investigating and trying the product within a store and then afterwards purchasing online.

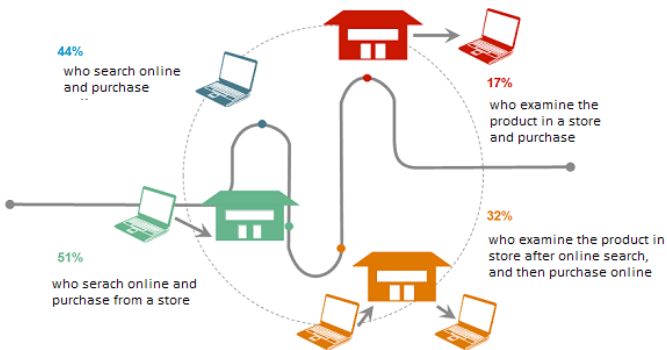


Figure 4. Use of Offline and Online in Trade
(Kantarçı et al. 2017, p. 27)

Figure 4 outlines the need for the omnichannel experience to be enriched through showrooming and webrooming. Showrooming refers to the practice of researching products offline, but eventually making an online purchase or through a mobile device at a competing e-retailer; whereas, webrooming refers to the practice of researching products online, but then making the purchase independently offline (Kang 2019). Moreover, it is showrooming that is considered as a threat by traditional retailers, due to the fact that online retailers can minimize their costs by their being largely exempt from commercial rental expenditure, stor-

age expenses or personnel expenses, and are therefore often able to charge lower retail prices than traditional retailers. As a result, consumers often prefer to buy from online vendors after comparing products and prices both online and offline (Ünsalan and Ünsalan 2016).

The combination of the online and offline environment inspires many companies today. For example, Macy's has noticed a relation between its online and offline operations. This relationship has been proved in that every dollar spent on search engine optimization contributed a six-dollar contribution to in-store sales. Since then, Macy's has combined its online and offline operations; today, Macy's customers can gather information about a specific product via their mobile phones, and can see whether it is on sale in a nearby store. Furthermore, customers are offered the option to purchase the product directly from its website or from a nearby physical Macy's store (Kotler et al. 2017). In short, today's online customer wants to be able to switch easily between channels and devices including desktop personal computers, laptops pc's, and mobile telephony devices (Kang 2019).

6. Online Decision-Making Styles

In order to understand the drivers behind online shopping decision-making behavior, it is essential to be able to characterize online consumers' decision-making styles. Sproles (1985) defined consumer decision-making style as "a patterned, mental, cognitive orientation towards shopping and purchasing, which constantly dominates the consumer's choices" (p. 79). It is a mental orientation characterizing a consumer's decision style while making choices. Moreover, it has both cognitive characteristics like quality consciousness and affective characteristics such as fashion consciousness (Sproles and Kendall 1986).

The Consumer Styles Inventory (CSI), which still forms the

basis for many studies on consumer decision-making styles, is a collection of 40 statements within a structure of eight basic characteristics. Those styles are “perfectionistic, high-quality conscious consumer,” “brand conscious, price equals quality consumer,” “novelty-fashion conscious consumer,” “recreational, hedonistic consumer,” “price conscious, value for money consumer,” “impulsive, careless consumer,” “confused by overchoice consumer,” and “habitual, brand-loyal consumer” (Sproles and Kendall 1986). The applicability of the CSI model has been tested against cultures such as in Korea, New Zealand, India, Greece, the southwestern United States, and China (Sam and Chatwin 2015). However, Ramadan (2016) stated that there is no agreed consumer decision-making style that cuts across different cultures, just as CSI does not satisfy all types of decisions.

Due to the fact that the online environment has its own features, other decision-making instruments such as the Online Consumer Style Inventory (O-CSI) are therefore needed because there may be gaps between the offline and online transactional environment while decisions are being made (İşler et al. 2014). Furthermore, online and offline environments offer consumers different decision-making experiences, even if the same product were to be purchased (Wolfinbarger and Gilly 2003). In addition, Karimi (2013) implied at the time that the consumer style approach had only recently been introduced to the consumer online decision-making literature.

Similar to the CSI model having been tested against various cultures, the O-CSI also needs to be validated for different consumer groups from different cultures. Bayrakdaroğlu et al. (2017), in their study, adapted the O-CSI, which is based on consumers’ online decision-making styles, to the Turkish context and validated the original scale using Turkish consumers. According to the study’s results, the adapted scale was formed

with seven dimensions and 20 expressions in total, showing that the translated and adapted scale to be almost identical to the original. Lastly, as Darley et al. (2010) pointed out, the sophistication level of consumers and their decision-making styles can significantly vary due to the tremendous changes seen in online purchasing. In the context of Macau online consumers, Sam and Chatwin (2015) proposed that online consumer styles be grouped into seven dimensions, each of which independently represented an important mental approach to online consumption. The following subsections provide an overview of each of these seven dimensions.

6.1. High-quality, become buying habit conscious consumer

Quality is a factor that consumers often refer to when making a purchase decision. Some consumers insist on searching for quality; seeking high quality in every product they buy to the extent that it becomes habitual.

In the original CSI model, Sproles and Kendall (1986) proposed a decision-making style called “perfectionism/high-quality conscious consumer” in defining quality-addictive consumers. However, according to the O-CSI model offered by Sam and Chatwin (2015), online consumers in this style are named as “high-quality, become buying habit conscious.” They attach a high degree of importance to quality while making purchase-related decisions online. High-quality, become buying habit conscious consumers usually work to a purchase process that is more systematic and attentive, and are dissatisfied unless the product they end up buying is of adequately high quality (Ergin et al. 2016). Moreover, consumers with this decision-making style compare products online more in order to find the best quality (Niu 2014). Yet, as Ramadan (2016) concluded, this decision-making style may not be significant to consumers in some cultures like Syrian Arabs.

6.2. Brand conscious consumer

Simple questions can be used in order to assess the impact of a brand name on purchasing decisions: Would you prefer not to see the brand name of the fruit juice you frequently buy? Would you still like to drink your Starbucks coffee in another setting? Or would you still like to wear your favorite t-shirt if it did not bear a brand name (Bati and Erdem 2015). Brand effect on consumer choices has been much debated for a long time.

While consumers decide upon which alternative to buy, branding functions as a heuristic. Once a consumer falls in love with a brand, it is then not easy for them to switch to other brands. A study conducted by the Boston Consulting Group found that in 30 product categories, 27 of the brands which were number one in 1930 in the US still persist at the top even today (as cited in Solomon et al. 2010). This proves that brand consciousness plays an important role in our decisions. According to Chu and Kamal (2011), the term brand consciousness refers to “the degree to which a consumer is oriented toward buying well-known branded products” (p. 182). Sam and Chatwin (2015) stated that the brand conscious online consumer links price with quality, and thereby prefers the more expensive and well-known brands. In other words, consumers of this style regard the higher prices of brands as an indicator of higher product quality (Ramadan 2016).

Therefore, just like in the offline environment, consumers can make online purchasing decisions based on brand-related criteria (Taylor and Pentina 2012). However, in the digital environment, it is important that brands are genuine and honest, accept their flaws and stop trying to look perfect. Brands are also expected to continue consumer-oriented thinking in the online environment (Kotler et al. 2017).

6.3. Novelty-fashion conscious consumer

Sproles and Kendall (1986) identified novelty-fashion conscious consumers as those who like new and innovative products and are excited by seeking out new things. In other words, novelty-fashion conscious consumers like shopping whether it is offline or online, simply because they enjoy the experience of purchasing. It is important for them to have an impressive style, and they like to rejuvenate and restock their wardrobes according to the latest fashions (Aksoy 2017). According to Goldsmith et al. (1999), they often pay attention to the newest fashions and adopt novel and fashionable products much earlier than others.

Although Sam and Chatwin (2015) pointed out that novelty and fashion-conscious consumers find innovative products attractive, it must also be noted that they prefer new product styles to older-fashioned styles. It is not simply enough for a product to be innovative, it must also be considered “in fashion.” Therefore, being *fashionable* is more important than being *novel* for this group. Correspondingly, Phau and Lo (2004) named novelty-fashion conscious consumers as fashion innovators.

In testing the validity of the original O-CSI scale in the Turkish context, Bayrakdaroğlu et al. (2017) concluded that consumers in this decision-making style are oriented by the latest fashion and attractive looks while shopping online. Findings of the study carried out by Phau and Lo (2004) reported that fashion innovators generally exhibit impulsive behaviors, and may extend the scope of their fashion knowledge not only through fashion magazines, but also through the Internet. Additionally, Mitchell and Walsh (2004) focused on how gender differences reflect on the consumer approach to decision-making styles. In their study, they found that German male consumers were less novelty and fashion conscious in comparison to female participants.

6.4. Price conscious consumer

Retail price, which is considered to be one of the most important parameters in the relationship with consumers, seems to be an important online purchasing motivator as online store operating costs are generally lower than for physical stores (İşler et al. 2014). The term price consciousness refers to “the degree to which the consumer focuses exclusively on paying a low price” (Lichtenstein et al. 1993, p. 235). In other words, consumers who make decisions by primarily considering the price are deemed to be “price conscious,” “price sensitive,” “value conscious,” “value-oriented,” “price-oriented,” “deal-prone,” “thrifty,” and so on (Rihn et al. 2018).

As a consumer’s price consciousness increases, their demand for products with the highest benefit compared to its price increases correspondingly (Ramadan 2016). Price conscious consumers gain emotional value and entertainment by striving to find the lowest price, and lower prices guarantees consumers’ pre-purchase evaluations and behavioral intentions (Jayasingh and Eze 2012, p. 96).

According to Sam and Chatwin (2015), online consumers make decisions based on a discount price wherever possible, and search to find the best value for money. Jayawardhena et al. (2007) found price sensitive online consumers to be the largest cluster in their study, corresponding to earlier studies based on offline shopping. Çakır and Bayrakdaroğlu (2018) stated that price consciousness varies according to product category; apparel and mobile phone consumers are more price-conscious oriented when purchasing online compared to when shopping for consumables such as shampoo. In contrast to their study, Cowart and Goldsmith (2007) found that price sensitivity was negatively correlated with online spending of apparel purchases. Therefore, contrary to what is often believed, Bhatnagar and Ghose (2004)

concluded that obtaining the lowest price may not be the only significant motivator for online consumers.

6.5. Product portability conscious consumer

An important consideration of online shopping is that the purchased product reaches the consumer securely as online consumers mostly buy from e-retailers located considerable distances from where they live, sometimes in another country. Therefore, online consumers may consider this to be a vital decision-making criteria.

Product portability means being easily transportable and showing maximum damage resistance. Accordingly, the product portability conscious consumer was defined by Sam and Chatwin (2015) as those who “prefer a smaller size product, so that it is flexible for carrying around” (p. 103). In other words, the consumers in this decision-making style demand a great deal of product flexibility while purchasing online.

Portability consciousness is regarded as a consumer style characteristic that is product-specific (Meng and Chatwin 2012), whereas the styles outlined in the following two subsections are website-specific.

6.6. Website content conscious consumer

The main interaction point between online retailer and consumer is the retailer’s website. In order not to lose potential customers, a website must be considered sufficiently usable by its users, the consumer (Karimi 2013). One of the most salient components of usability is website content.

Website content refers to “facilities such as privacy, security, searching tools, communication tools for product enquiry and order tracking, availability and richness of product information, customer review and social networking capability offered by on-

line shops” (Sam and Chatwin 2015, p. 103). In fact, website content is significantly linked to the web experience of users during online activities. A well-designed website addresses its users’ needs and expectations, and also assists them throughout each of the buying process steps (Constantinides 2004). According to Darley et al. (2010), online consumers prefer clarity of information, delivery warranties, and the ease of website navigation, whereas the website itself and the reputation of the company are important predictors to online purchasing behavior. Wolfenbarger and Gilly (2003) stated that online consumers judge an e-retailer’s quality based on four factors: Website design, fulfillment/reliability, privacy/security, and customer service.

When making online purchasing decisions, perhaps one of the most frequently sought out website content types are user comments, or comments posted by previous purchasers. As positive or negative comments in the online environment can be proliferated faster and wider than consumer reactions within the physical store environment, prospective consumers look for evidence of previous purchasers’ online comments more than offline comments (İşler et al. 2014).

6.7. Website interface conscious consumer

As well as other decision-making criteria, many online consumers rank website design first while deciding to purchase online. Online consumers as decision makers are not considered extraordinary because they are also mostly established Internet users. While they are performing tasks related to purchasing online, they also seek a perfect level of interaction with the website (Karimi 2013).

So what does play a role in this interaction? Similar to the offline environment, briefly stated animation effects such as banners, signs, bulletin boards, pictures, and graphics are all used and con-

stitute the “webmosphere” that attracts online consumer interest (Arslan 2016). Sam and Chatwin (2015) suggested that the level and number of animation effects must be carefully considered as part of any website interface design.

Especially at the problem recognition stage in the decision-making process, the design of a website plays a significant role. In order to design an appealing website, it is necessary to create consistent web interface styles and to design based on hierarchical product organization. The consistent web interface refers to a simplicity and logicity of a website’s design that aids ease of understanding for the online consumer. In addition, hierarchical product organization means that consumers can easily reach the desired information being sought (Marangoz 2014). For example, Apple’s user interface designs are often regarded as being very simple and straightforward, and thereby nonthreatening for even the most inexperienced of users (Kotler et al. 2017). Simplicity is therefore a key determinant in website interface design.

In a study by the Corporate Executive Board, the main findings of a research with over 7,000 participants showed that customers want “simplicity” from marketers. In other words, the more an online retailer simplifies the purchase decision process during a consumer’s visit to their website, the easier it will be for them to reach a positive purchase decision. According to the findings of related research, the rate of purchase of goods on websites which offer “simplicity” to its users was 86% higher than those seen as complicated. Moreover, the repurchase rate was found to be 9%, whereas word-of-mouth rate to other customers was 115% (as cited in Freeman and Spenner 2014).

7. Summary

Decision making is sometimes a very simple, but sometimes very difficult human action. The most prominent feature of decision making is that it continues throughout human life. Consumer behavior research occur around the question of “How do consumers decide?”.

Although the answers to this question are diverse, the impact of the environment on consumers’ decision is worth to examine. Moreover, purchasing on the internet, which reaches an increasing number and economic size, is an important issue in terms of consumer behavior. This chapter has focused on seven decision-making styles that arise when consumers purchase online. As a result, “high-quality, become buying habit conscious consumers”, “brand conscious consumers”, “novelty-fashion conscious consumers”, “price conscious consumers”, “product portability conscious consumers”, “website content conscious consumers”, and “website interface conscious consumers” were regarded from the perspective of online consumers.

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**The Economy of Facebook:
The Beginning The Growth and
The Maturity of the
Global Social Media Platform**

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Facebook is a US company which offers social networking services. Facebook was founded in the year 2004 by Mark Zuckerberg, Dustin Moskovitz, Eduardo Saverin, and Chris Hughes, who were all schooling at Harvard University at the time (Hall, 2004). It is free to access Facebook since the company earns money from advertisement. New users create profiles, upload their photos and even start or join pre-existing groups. Facebook contains many components such as timeline, status, a news feed, like button and messenger and other features that helped the company to dominate social networking industry. In order to clearly understand about Facebook growth and development, this paper will focus on bringing to light the economy of Facebook by clearly giving the history of the company, its sources of income and revenue and also the company's economic growth since its inception.

History

Mark Zuckerberg took his first steps when he was very young, where he understood the importance of coding due to the support of his father, Edward Zuckerberg. The latter taught Zuckerberg Atari BASIC computer programming (Boyd, 2019). When Mark Zuckerberg was 11 years, his parents hired a software developer named David Newman to tutor him. In a couple of years, Zuckerberg created and developed an amazingly practical programme known as ZuckNet for his father since he ran a dentist out of the house and needed a modest way for the receptionists to contact him without necessarily shouting (Boyd, 2019). In short, ZuckNet worked as an internal instant messenger. While studying at Phillips Exeter Academy, Microsoft and AOL developed interest for synapse hardware by Mark Zuckerberg. They wanted to buy synapse hardware that learned user's music taste through artificial intelligence and listening habits. Zuckerberg turned down

Microsoft's and AOL offers and set his site at Harvard University where Facebook origins can be found (Boyd, 2019). When Zuckerberg joined Harvard school in the year 2002, he had bigger plans and majored in Psychology, while he took plenty of computer science classes along with his course (Boyd, 2019). In the year 2003, Mark Zuckerberg created and published a website by the name Facemash, which lets the students in Harvard judge the attractiveness of each other and perform rankings. It did not go well with the students since Zuckerberg had not requested for permission to use their photos. The site had attracted 22k images in a few hours, but sadly it was shut down in a few days. He even risked getting expelled from the school after facing the Harvard administration board, where he publicly apologized (Boyd, 2019).

Surprisingly, one year after the shutdown of Face Mash, Mark Zuckerberg launched Facebook with a slightly different name where one could upload a photo, share interests, and connect with people while offering network visualization of one's connections (Boyd, 2019). He started by opening the site for Harvard students who had Harvard email address, and within the first one month, 50% of the Harvard students had signed up the app (Boyd, 2019). However, things did not go well after his fellow students Tyler Winklevoss, Cameron Winklevoss, and Divya Narendra sued him claiming that they had previously worked with Zuckerberg on a similar project and he stole their idea. After the court cases the three won 1.2 million shares of the Facebook company worth \$300 million (Sraders, 2020).

Facebook became a hotcake, and by the end of 2004, membership was not open to only Harvard students but also to nearly all Universities in Canada and the United States with people buying to sign up (Boyd, 2019). Zuckerberg moved Facebook's operations to California in 2004 and secured investments where Peter Thiel of PayPal joined The Facebook board and brought with

him \$500,000 (Boyd, 2019). In May 2005, Facebook acquired investments worth \$12.7 million Accel and \$1 million from personal fortune capitalist Jim Breyer (Boyd, 2019). Zuckerberg finally dropped the “the”, and the company officially was named Facebook, which cost \$200,000 million to develop its new domain name. Facebook continued to admit students to the website, and in November that year, Zuckerberg entirely left Harvard to become Chief Executive officer of Facebook rather than just a programmer and hired more employees (Boyd, 2019).

Around December, the company continued to expand and signed up New Zealand Universities, Australian Universities, high schools from Mexico, Ireland, and the United Kingdom, making it a total of 25,000 high schools and 2500 colleges (Boyd, 2019). In September 2006, the Facebook platform became open for everyone with a valid email address and 13 years and above. It made the company global with its membership growth being remarkable. In December 2006, Facebook’s membership was 12 million, while in April 2007, it rose to 20 million (Boyd, 2019). in July the same year, and October 2007, the membership had hit 50 million (Boyd, 2019).

Facebook opened its marketplace in the year 2007, which lets the users post their classified services and products for trading. Also, Facebook Application Developer platform was created, which assisted the developers to design and develop their applications, that were to be integrated with Facebook. By the end of the year 2007, the company signed up over 100,000 companies and launched Facebook for businesses. The user count continued to soar and by August 2008, the membership had hit 100 million while by January 2000 the membership was at 150 million (Boyd, 2019). February 2009 also had 175 million, and in September 2009, the membership was at 300 million (Boyd, 2019). The company also developed Facebook games, such as Farm-

ville, which was released in June 2009, which attracted at least 10 million daily active users.

Facebook Company hit a significant breakthrough in December 2009, where it had 350 million registered users and 132 million unique monthly subscribers, making it the most popular social networking platform globally (Boyd, 2019). In the year 2010, a lot of improvements were seen with the ability to like comments. Also, photo tagging was improved, making the number of registered users to keep going up to 500 million. With the company being valued at \$41 billion, which made it the third-largest web company in the US after Google and Amazon (Boyd, 2019). By the end of August 2011, the company had already reached one trillion-page view, making it the second most viewed site in the US and also acquired Beluga. This group messaging service saw the birth of Facebook Messenger as a standalone application.

By the year 2012, Facebook acquired Instagram at \$1 billion, and in the same year, the company had done its big event- IPO, which raised a considerable amount of 161 million (Boyd, 2019). As a result, the event got valued at \$104 billion with a \$ 38 worth share for the Winklevoss twins and Narendra. (Boyd, 2019).

In the year 2013, Facebook joined Fortune 500 at number 462 as its global reach increased rapidly and substantially. However, at some point, the company admitted to failing to moderate people who were abusing it for hate speech. Therefore, it came up with measures, such as increasing accountability for creators, enhance communications with groups already working against hate speech, and also updated training for teams responsible for such evaluations. In the year 2013, Facebook announced a new feature to flag fake news due to the problems with the fake news the company had to deal with. Further release of Facebook reactions, such as ‘haha’, ‘love’, ‘wow’ was done, which was a very positive one. At the same time, in June the same year, Facebook

registered that half of the world's population was using the platform for social networking, which translated to about 1.49 billion users (Boyd, 2019). video calling messenger, Facebook lives to verified public figures, and also 360 videos were released which saw 1.5 billion daily users, 3 million advertisers, and \$3,69 billion profit in the year 2015. Despite the fake news, harassment, and privacy issues raised against the company, Facebook was still up with more benefits, and new users increased, wherein 2017 they registered a whopping \$15.9 earnings with a 56 increase from the previous year (Boyd, 2019). However, in 2018 things hit rock bottom after Facebook faced the Cambridge analytical scandal, where the company was accused of influencing Donald Trump elections through reaping of people's data which was used in the campaigns. Due to the Cambridge scandal, Facebook lost \$70 billion off their share price with the advertisers getting cautious and nervous. Already on the ropes to data and privacy scandals, in 2018 the company saw the most significant loss in terms of its value by losing \$119 billion in value while Zuckerberg lost \$1.5bn (Boyd, 2019). However, Zuckerberg apologized for the saga and immediately suspended Cambridge Analytica. The scandal continued as Zuckerberg was called to testify in front of congress, and later a fine of \$663,000 was imposed by the information commissioner's office in the United Kingdom (Boyd, 2019). In an attempt to reassure its users on their data privacy concerns, the social networking program announced that it had disabled all fake accounts that stood at 1.3 billion for the six months after the scandal. Facebook also created a lot of awareness on topics such as the data Facebook collected and also the data advertisers held on users through its blogposts and newsroom. The company continued to face data privacy concerns, especially after it made 14 million people's private posts public and that it was sharing people's data with a Chinese company to

inform application designs. Amid all this, Facebook announced that the company would be funding shows from networks, such as CNN and ABC news, which would be published by the Facebook watch. The company also joined the game streaming arena after the company launched Facebook gaming which is a similar service to Twitch. In the same year, 2018, the company developed Facebook portal with video communication devices that allowed people to perform video calls. The video communication device was designed in a way that Amazon's Alexa voice assistant was incorporated, allowing hands-free video calls. The company admitted that the user data collected through the portal would be used to target adverts ad, of course, people were skeptical about it due to the previous sagas on user's data privacy. During the F8 2019 conference, Facebook announced about the company's social network plans to push out a redesign called 'The new Facebook' which would place a big emphasis on groups and events (Tillman, 2020). The same year 2019, the company came up with dark mode redesign for desktop users.

Economic Income and Income Sources of Facebook Advertising

The social networking platform business model is majorly based on advertisement which has made it to unlock so much business value from its operations (Gunnars,2020). For an organization like Facebook, 98% of its income generates from advertising and therefore the time people spend on the news feed is vital to help in increasing the profitability metrics of Facebook (Gunnars, 2020). The company primarily makes money by selling advertising space from its various social platforms such as Instagram, WhatsApp, Facebook messenger, and Oculus Virtual reality products, and Instagram. The company competes with other giants that sell advertising space to marketers

and also companies that provide platforms for communicating and content sharing among users' social network. These competitors include Google and YouTube, Apple Inc, Amazon and Tencent Music entertainment group. Facebook has 2.89 billion monthly users across its products, and of these, at least 2.26 billion people use one of the company's products every day (Gunnars, 2020). It means Facebook reaches around three-quarters of the world's internet population hence making it the best site for running adverts.

Revenue

In Millions

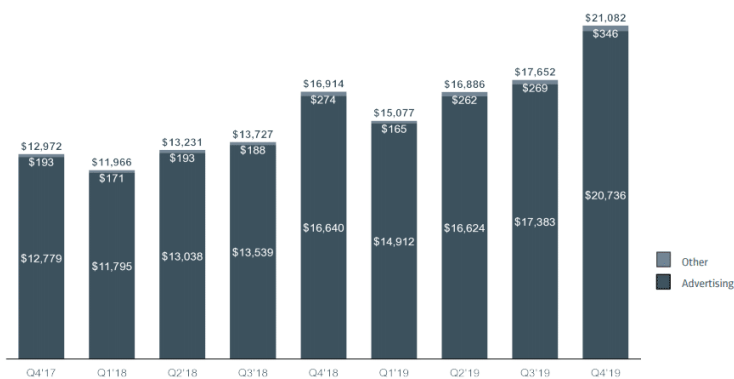


Figure 1

Facebook Quarterly Revenue from 2017 to 2019 Reprinted from How does Facebook make money, by K, Gunnars, 2020. Stock Analysis. Copyright 2020.

The graph describes Facebook earnings from the last nine quarters from the year 2017 to 2019. Currently, Facebook makes 98.5% of its revenues from digital advertising, which mostly consists of Facebook and Instagram adverts (Gunnars, 2020). Most of the Facebook adverts are “pay per click” such that the adver-

tisers are required to pay the company each time the user clicks on them. Facebook offers advertising tools to the marketers to help them decide the kind of clients they want to reach either in terms of age group, gender, location, and also interests. Use of these tools makes the advertisers earn a higher return by targeting their advertisements to interested people. Many users appreciate coming across relevant adverts rather than irrelevant ads since it provides a clear and better user experience than the ads on TV. Such a powerful advertising tool provided by Facebook is essential, especially to the medium-sized business who can now compete with giant companies without possessing large advertising departments and workforce. It is worth realizing that there are now at least 8 million businesses globally, which use Facebook as an advertising platform. Apart from the Facebook platform, the social networking giant also uses Instagram to run ads and earn income. Instagram and the old news feed on Facebook gain the company most of the money, while their acquired ads in the disappearing stories are making more money every year due to their growing popularity. In the past, Facebook derived most of its income entirely from the website, but currently, these have changed, and most of its revenue is from the ads on mobile apps. Facebook is aiming at rolling out privacy tools to prevent a user's data from being used for the targeted advertisement. This idea will not only protect the users' data but also ought to be one of the significant sources of income of Facebook shortly.

Oculus Virtual Reality Headsets and Apps

Since it assimilated Oculus for \$2.3 billion in the year 2014, the company has also been making income through Oculus (Gunnars, 2020). Oculus is globally the known giant in creating virtual reality headsets for consumers with its top products being the Oculus Go, Oculus Rift, and also Oculus Quest. Face-

book makes income from Oculus for each unit sold of Oculus headset, which costs several hundred dollars (Gunnars, 2020). On the latest earnings call by Facebook, the social networking giant stated that Oculus app store had \$5 million sales on Christmas day alone and this shows that the Oculus app market place might become the most significant source of income eventually (Gunnars, 2020). However, profit by the Oculus is smaller compared to that Facebook derives from advertising. With the Oculus current spending on research and development, that has resulted in augmented reality, headsets might obtain a lot of income for Facebook shortly.

Workplace by Facebook

The social networking giant also offers a service called workplace, which helps businesses and companies to manage their internal communications. It has made Facebook a competitor to other tech giants. Facebook has designed the service in a way that the users can either have a free subscription option or opt for the advanced service, which costs \$4 per month for every user (Gunnars, 2020). It is worth noting that at least 30,000 global companies and businesses, such as Walmart and Starbucks have an active subscription (Gunnars, 2020). By the year 2019, its users paid around 2 million, making this addition to Facebook's sources of income (Gunnars, 2020).

Commerce on Instagram and Facebook Marketplace

Facebook has seen a big opportunity in the growth of e-commerce online since most buyers identify the products through their services and shop. Approximately hundreds of millions of users are on Facebook marketplace, while many influencers and brands are highly dependent on Instagram to market their products and services (Gunnars, 2020). Due to this opportunity, Face-

book has already launched Instagram checkout in the US, where businesses can sell products directly through the platform. Instagram checkout works in a way that when a user taps to view a product from any brand's shopping post, they can see a checkout on the Instagram button on the product page. One is required to tap and select various options, such as color size and then make the payment without leaving Instagram. After this, the buyer received notification of payment, shipment, and delivery to help the client in keeping track of the item. It is an opportunity that is very promising in terms of income generation for Facebook.

Payments and Digital Currency

Facebook is currently earning income from its new service called Facebook Pay after noticing a significant market opportunity in digital payments (Gunnars, 2020). Facebook Pay provides people with a very convenient, consistent, and secure payment experiences across all Facebook apps, such as Messenger, WhatsApp, and Instagram (Liu, 2019). Users are making use of Facebook Pay to donate, shop, and transfer money. Facebook Pay users have options of adding their preferred method of payment to be used in the future transactions, set up Facebook Pay app-by-app such that it will be used across all apps, view payment history, and get customer support through live chats. Facebook pay supports primary credit and debit cards and also PayPal such that payments are processed in partnership with companies, such as Stripe and PayPal around the world. Facebook pay up is one of the company's ongoing big projects that will not only see growth e-commerce and promote secure and convenient payment but also will be one of the significant sources of income for Facebook. It is because it has many unique features that will encourage secure trading across all its applications such as Instagram and WhatsApp. The social networking giant is also rolling

out a cryptocurrency referred to as Libra, which is going to disrupt the global payment space in the future. Libra is set to provide cheap and affordable financial services to everyone across the world. Use of Libra will sooner or later turn to become a very significant source of income.

Business Messaging on Facebook and WhatsApp

Since the social networking platform launched business Facebook and WhatsApp messaging apps, its charging nothing although it seems like one of its future monetization opportunity. Many companies and brands are using Facebook's messaging on WhatsApp and Facebook to communicate with their customers. As a result, many websites currently have Facebook messenger chat widgets which customers use to send messages directly to the support. Since business Facebook and WhatsApp Messaging apps are now not making any income towards Facebook, the company is possibly going to come up with ways to monetize the features of these apps in the future such that they can charge businesses for premium and advanced features that help them to improve their customer service and hence make income out of this opportunity.

Facebook Portal Smart Video Communication Devices

Facebook also uses Facebook portal as a source of income, although the company is not yet clear on how much it makes from the Facebook portal. The device has a video camera that covers the callers as they walk around the house while video chatting with a friend. The portal can also function as a smart-home device, such as controlling home lighting since it contains the Amazon Alexa smart home assistant built-in. Many people across the world use the Facebook Portal, and it gets a very positive review with 4.5 or higher star rating, which shows how effective the en-

trance is. It is likely to give Facebook more income soon due to the technological advancements happening across the world.

Facebook Revenue

In the first quarter of 2020, Facebook reported having experienced a significant reduction in the demand for advertising and a decline in the pricing of the ads which profoundly affected the revenue of Facebook in the first quarter (Rodriguez, 2020). This steep decline in revenue, which was 17.74 billion, was due to the coronavirus pandemic, which has hit the global community. The company's average revenue per user was at \$6.95 while its total revenue came in at \$17.74 billion compared to the 15.08 billion the social networking platform reported on its first quarter of 2019 (Rodriguez, 2020). The good news is that after the company announced its first-quarter results of 2020, the company shares rose with 10% (Rodriguez, 2020).” Other” Facebook’s revenue registered at \$297 million for the first quarter of 2020, up to 80% compared to the last year 2019.

Facebook, since its inception to date, derives its revenue from its income sources. The sources of revenue for Facebook include advertising, Oculus apps, digital currency and payments, Facebook workplace and also Facebook Pay. Facebook revenue for the first quarter in the year 2019 was at \$17.65 billion compared to \$16.89 billion in the second quarter in 2019 and also in the third quarter of 2018 with \$ 13.727 (Iqbal, 2020). In the year 2019, adverts generated at least 98.5% of Facebook’s global revenue, which translated to ad revenue of 69.7 billion US dollars in a while around 2 % of the revenue came from payment fees revenue (Iqbal, 2020).

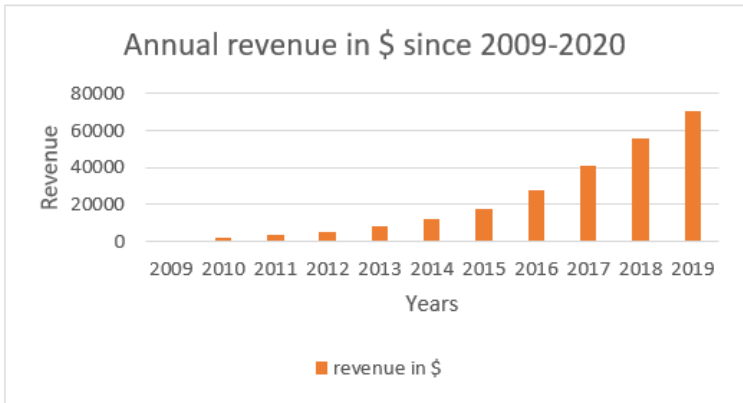


Figure 2

Facebook Annual Revenue from 2009-2020 The figure shows Facebook revenue from 2009 to 2020 with the year 2019, registering the highest revenue since the inception of Facebook.

Facebook Average Revenue Per User

Despite the controversies surrounding Facebook, from mishandling of user data to its unwillingness to fact check political adverts, advertisers and more users are still flocking to its services and products, which has seen its growth in revenue per user since its inception. Facebook's average revenue per user (ARPU), which is calculated by dividing quarterly revenue by the number of users within that period, indicates that consumers are enthusiastic in accepting more ads on Facebook without deserting it. It also demonstrates that the company can continue charging premium prices to advertisers across its platforms. By carefully looking at average revenue per user, one can get insight into the company's ability to monetize its users. The company reported ARPU of \$7.26 US dollars, which indicates a 19% increase from 2018, and also the second-highest ARPU in its histo-

ry (Rodriguez, 2019). The ARPU as of 4th quarter by region from 2011 to 2019.

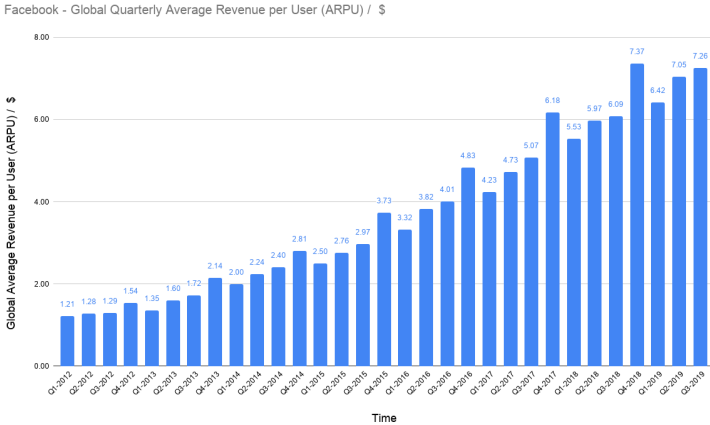


Figure 3: Global Average Revenue per User since 2012

Reprinted from Facebook Incredible Growth Story, by S. Heller, 2013, Motley Fool. Copyright 2013

The graph four shows the average revenue per user of Facebook globally every quarter. According to the trend in the chart, it is evidenced that Facebook’s average revenue per user has been rising every year since 2012. It has registered an increase of 6.05 US dollars in 2012-2019 (Dielert, 2019). It shows the user base of Facebook has increased over time, and thus advertisers have also increased at the same pace hence increasing the revenue per user of Facebook.

Facebook Revenue by Business Segment

Facebook revenue is either characterized as advertising revenue or payment and other fees revenue. The figure below shows the revenue of Facebook by business segment from 2009 to 2020.

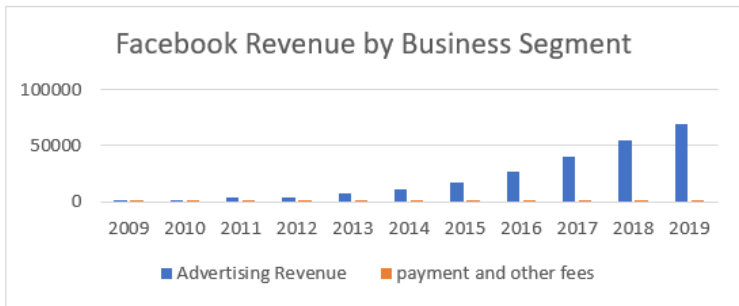


Figure 4: Facebook Annual Revenue by segment from 2009-2019

The figure illustrates Facebook’s annual revenue made through advertisement, payment and other fees since 2009 to 2019 by comparing

Economic Growth of Facebook

Since its inception in the year 2004, Facebook economic growth in terms of total income and net profit has been tremendous. The growth curve of Facebook was flat until the year 2007 when it started booming in terms of the company’s economic value (Boyd, 2019).

In its first year of existence, Facebook earned a revenue of \$382,000, which translated to around \$0.38 revenue per user (Heller, 2013). According to the graph below, it is evident that Facebook had a bit of economic growth when between the year 2006 to 2007 when the monthly active users tremendously rose from 12 million to 145 million. With the increase in the monthly active, Facebook had a great opportunity of monetizing the users and making more and more revenue from its sources of incomes. Since this moment, Facebook has managed to work through the kinks and scaled up its marketing aptitude to tap and accommodate more users. By the first half of the year 2013, Facebook average revenue per user went up by more than 17% over the same period in the year 2012

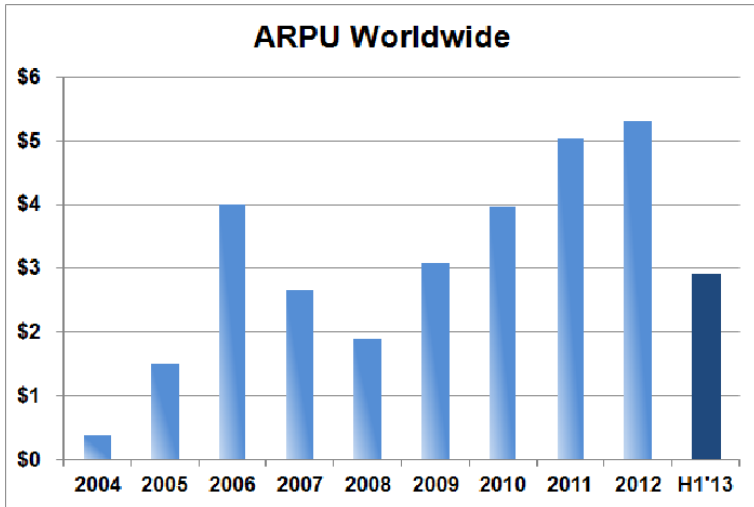


Figure 5: Facebook Global Average Revenue per user from 2004 to 2013

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By comparing the daily active users and monthly active users of Facebook, one can easily understand Facebook’s economic growth. It is done by dividing the number of daily active users by the number of monthly active users within a specified period. It helps to get a good sense if Facebook is developing more engaged audience overtime which translates to an opportunity of running more compelling ads. For the period between the year, 2009 to 2013 shows the steady growth of Facebook audience from roughly 45% to 60% (Heller, 2013). In addition to this, Facebook total share of time spent on the internet rose from 2009 to 2013. Time spent on the social networking platform in the United States of America went up by 500-basis points to 15.8&

since December 2012. The more time spent on Facebook by users translates to more revenue and economic growth since the company gets the opportunity to monetize them majorly through the ads.

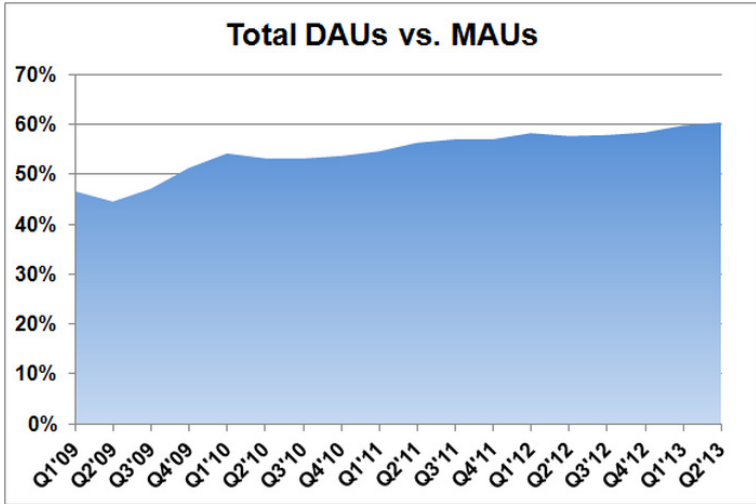


Figure 6 :Facebook Total DAUs and MAUs from 2009 to 2013

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The idea of turning threats into opportunities saw Facebook's grow economically. Facebook converted the risk of mobile devices cannibalizing its desktop business into a great chance in only five quarters of 2012 and 2013 (Heller, 2013). Due to this opportunity that the social networking giant fully embraced, its revenues from mobile advertising rose from 3% of total advertising revenue to 41% (Heller, 2013). In a glimpse, the 38% mobile advertising revenue increase illustrates the management's capability to react promptly to changes in user behaviour. The 38% increase in mobile advertising revenue was not just a number,

but rather an illustration of the economic growth of Facebook in terms of income from mobile advertising.

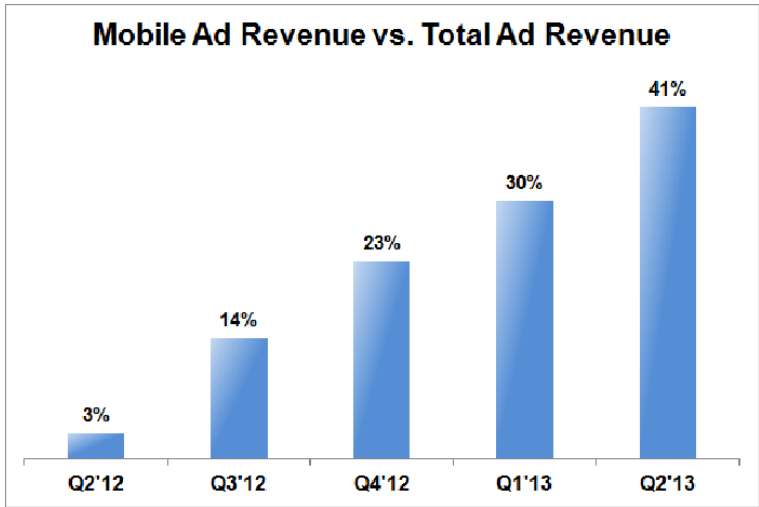


Figure 7: Quarterly Mobile Ad Revenue and Total Ad Revenue

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After five years since its inception, Facebook managed to turn its annual profit in the year 2009. Since 2009 to 2013, the company's net income kept rising from \$35, \$641, \$1642, \$1694, and \$2246 for the five years (Heller, 2013).

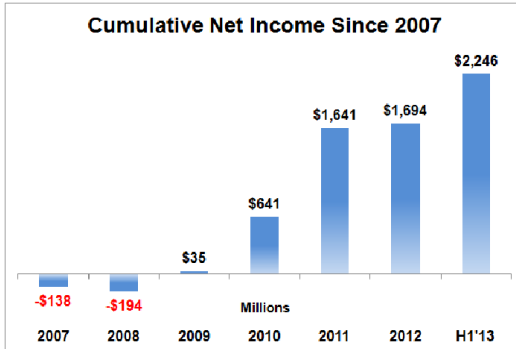


Figure 8 : Facebook Cumulative Net Income since 2007
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The growth in the net income from the year 2009 to 2013 gives a glimpse of Facebook’s economic growth in terms of its revenue from Facebook’s sources of income. Growth of the company’s net income represented its growth in terms of its daily active users and monthly active users, increase in the number of marketers and businesses willing to run adverts through Facebook and also growth in its other revenue sources, such as Oculus apps, payments and digital currency, Facebook Pay, Facebook workplace, and even its ploughed interests.

In the year 2014, revenue for the full year was at 12.47 billion, which saw an increase of 585 from 2013, while income from the full year was \$4.99 billion (Iqbal, 2020). Revenue for the fourth quarter was \$3.85 billion, which saw a rise of 49% compared to the fourth quarter of 2013, which registered 2.59 billion. Out of the total revenue of Facebook in 2014, \$3.59 billion generated from advertising translating to a 53% increase compared to 2013, while mobile advertising revenue was at 69% of advertising revenue for the fourth quarter of 2014 (Iqbal, 2020). Revenue from payments and other fees was \$257 million leading

to a 7% increase from the same quarter in 2013. These results generally show that Facebook grew economically from the year 2013 to 2014 due to its growth in income, net income, daily active users, monthly active users, and also its revenue globally. It has helped Facebook to contribute to the GDP just like any other business. In the year 2015, the company earned \$17.93 billion revenue which was an increase of 44% compared to the year 2014, while its income was \$6.23 billion and net income of \$3.69 billion (Iqbal, 2020).

In the year 2016, Facebook maintained the same trade of economic growth evidenced by its rise in revenue, profit margins, net income, monthly active users, daily active users, and also average revenue per user. Revenue was at \$8809 with an increase of 5%, and net income was \$3568 (Iqbal 2020). The daily active users of Facebook were at 1.23 billion registering a rise of 18% while monthly active users were 1.86 billion translating to a 17% increase compared to the previous year. Further, mobile daily active users hit 1.15 mark with a 23% increase, and mobile monthly active users were 1.74 billion as of December 2016, registering a rise of 21% compared to 2015 (Iqbal 2020).

In the year 2017, the company continued to soar in terms of its growth by registering a \$12972 with an increase of 47% from 2016 while its net income was \$4268 with a 20% rise from the previous year. Facebook's user base continued to go up with daily active users at 1.40 billion, leading to a 14% increase while monthly active users were 2.13 billion, with a 14% compared to the previous year (Iqbal 2020). It was commendable for the social networking giant with no sign of significant losses. Through its rise in revenue, income, and user base, it meant that the company would grow in terms of developing more employment capacity, more product developments and acquisitions not forgetting its contribution to the global economy.

The year 2018 was no different from the previous years as revenue continued to rise with \$16914, showing a 30% increase while the net income was \$6882 representing a 61% increase (Iqbal 2020). It meant that the company's sources of income were fetching good, especially the advertising, which is the primary source of income of Facebook since its inception. In contrast, other minor sources of income, such as Oculus, payment fees and digital currency still contributes to the company's profit. The increase in Facebook's revenue and income was because of its rise in the user base where the daily active users were at 1.52 billion with a 9% increase, and monthly active users were 2.32 with a 9% rise compared to the previous year (Iqbal 2020). It meant that the rise in the number of active users and subscribers allowed Facebook to monetize time used by the users online through ads and payments.

In 2019 total revenue spiked to \$ 21,082 with a 25% increase compared with that of 2018 while net income was \$7349 registering an increase of 7% (Iqbal, 2020). Facebook's daily active users were 1.66, with a rise of 9% while the monthly active users were 2.50 billion, with an increase of 8%. The first quarter of 2020 presented somewhat unpredictable results in terms of income, revenue, its users and developments such as investor relations due to the coronavirus pandemic, which has grossly hit the global economy. Facebook beat wall street expectations in terms of revenues and sharing that they had made \$17.74 billion while falling short of the earnings per share at 1.71 dollars. Facebook's monthly active users were at 2.6 billion marks which beat the company's expectations of 2.55 billion. The company shares rising with 10% after Facebook announced its 2020 quarterly report illustrates how Facebook is likely to grow amid the coronavirus pandemic. However, the company reported a slight decrease in the advertising demand, which is its primary source of income,

and this might eventually affect their financials due to the coronavirus pandemic according to their prediction.

Facebook's economic growth is not only evidenced by its increase in user base, revenue, and net income, but also from its developments that have happened over time since its inception. One of the significant growth of Facebook is substantial acquisitions of companies that it had to do over the years of its operations. The company has expanded far beyond its original social networking platform since its launching. It has been possible through the incorporation of augmented reality, messenger services, photo and video sharing, and many other apps in its acquisitions. Acquisitions by Facebook has been vital to have, in return, stimulated Facebook and business revenue growth. In the process of acquiring its potential rivals, Facebook have had to pay extremely high prices for some of the deals. In 2011, Facebook acquired Beluga- a group messaging service, which saw the birth of Facebook Messenger as a standalone application. In the year 2012, Facebook acquired Instagram at \$1 billion, and in the same year, its main event-IPO happened, which increased Facebook value with \$104 billion. In the year 2013, Facebook also acquired Atlas solution from Microsoft (Boyd, 2019). The acquisition of Atlas Solutions meant that the advertisers on Facebook were to monitor their social media outreach programs effectually. During the same year, the company acquired Jibbigo, which is a translation app. The company allows Facebook posts and chats to be explained into multiple languages. It helped the company to keep running its adverts in different styles which have been a massive attraction in both digital and the global economy. In the year 2014, the company bought WhatsApp, which is the text messaging app at \$19 billion while in the same year it acquired Oculus virtual reality company with \$ 2 billion (Boyd, 2019). In the same year 2014, Facebook received Live rail at 500 mil-

lion. Live rail was useful in connecting marketers to publish on the web and also by mobile. The company acquired Live rail to use its data in benefiting both ends and could also help the social networking company to gain a more significant piece of video advertising. Later in the year 2019, Facebook amplified reality company CTRL-Labs for a projected \$500 million to \$1 billion (Boyd, 2019). These significant acquisitions are just a few examples out of the 82 purchases the social networking has made since its launch. Facebook grew economically by using its earnings to develop the company through acquisitions. It has helped the company to tap more clients and reach the global economy despite the age group or language indifferences. Acquisitions of Facebook has led to the birth of more Facebook products and features that has helped users to keep glued on Facebook and the company to stay afloat in an industry which is very competitive and fast-paced in terms of technological advancements. By preserving and focusing on customer retention, the company has over time monetized their time spent on Facebook to make more money primarily through advertisements.

The growth of the social networking giant is also evidenced by the way it has impacted the economic growth businesses. Some of its significant clients that are doing well in the market are Walmart and Starbucks. There are many ways in which Facebook has impacted the growth of businesses. For example, the success of Forex trading is highly dependent on the social networking platform while connections among other social sites and Facebook are made. In its formative years, the social networking platform majorly aimed at having third party developers who would build social apps inside Facebook's domain and also the social graph which represents the network connection and relationships among people in the Facebook API. Since 2010, the platform has applied API versioning to host regular updates (Hel-

mond et al., 2019). The introduction of Facebook Ads API implied that the developers were to build their advertising technologies on top of Facebook's programmable platform. The development offered deeper levels of technology integration through assisting them to connect their tools with Facebook advertising products and permitting partners to automate and manage ads on the company's platform conveniently (Helmond et al., 2019). Therefore, the roll-out of the Ads API shows a significant development, transition, and growth of Facebook's platform through accommodation of advertisers, not just as customers but also as a new group of growth partners.

Facebook also contributes to the national GDP every financial year, thus, impacting the US economy and even the global economy as well. Since its inception, the social networking company has enabled the global economic activity through unlocking of new opportunities a, lowering barriers to marketing, connecting businesses and people while stimulating innovation. The Facebook-commissioned report from Delloite in 2014 indicated that the social networking company stimulated around \$227 billion in its economic impact and also created 4.5 million employment opportunities across the world (Kapko, 2015). Starting from Harvard and then later relocating to a new and bigger office shows how fast the company started growing. As of September 2019, Facebook reported having the employee capacity of 43,030. Due to its growth in its earnings over time, the company has been creating more and more employment opportunities to many people across the world. Many web and application developers are now provided with opportunities to develop apps and develop websites through Facebook. In short, to measure the economic growth of any company, one of the critical factors one ought to look at its contribution towards flattening the curve of unemployment either at the national, continental or global level. The com-

pany has also for the years participated in charity work which has been a significant contributor to community development. Its unwavering willingness indicates the Facebook sign of economic growth and development to help the societies growth through partnerships with various governments, NGO's and educational organizations to drive economic growth. Just like its power of social networks has impacted personal lives, the social networking company capability to impact economies will keep changing lives today and in the future.

Conclusion

Over 98% of the revenue of Facebook comes from advertising. Thus, unless things change, the news feed is still the core driver for monetizing Facebook's content. However, with the other sources of income that Facebook is using, it is prone to derive more of its revenue, not from advertising but different sources. These sources include digital payment and currency, Facebook Portal, among others.

Over the next years, it is easy to be convinced more than ever that Facebook will continue growing. It is because the social networking giant is a purpose-driven company aiming to fulfil its mission of giving its users the power to share and connect the world to a global village. With the company innovation strategies to make more and more money from its user's time spent on the internet, the company is bound to increase its revenue and also economic growth.

Economic profit of Facebook for the last four years from 2016 to the year 2019 shows an increase in financial benefit up to 2019, where the economic profit goes down compared to the previous year 2018.

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