

# The Influence of Social Knowledge on Consumer Decision-Making Process

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*This paper is an attempt to understand how social knowledge affects human economic decision making. The paper discusses the nature of social knowledge in today's context with special reference to how social knowledge influences consumers' sentiments and their economic decisions. Social networks are being continuously flooded with various kinds of information and disinformation. Some of the information becomes knowledge for social network users who browse various kinds of content that are either entertaining or related to products and marketing. Although reliability remains a critical issue regarding online information from social networks, it, however, provides some knowledge about diverse things, goods, and products being in use in different societies around the world. Some products advertised on social networks like Facebook may affect consumer decisions or provide information about new products. This paper presents a formal discussion on what social knowledge is and how it is originated, and what use it might have for such consumers. The paper designs a simplistic mathematical model for a theoretical understanding of the assumption that has practical implications regarding its utility in society. It is found that social networks generate enough social information that can influence user choice and preferences. The study has implications for both the users and the developers of social networking sites.*

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## Introduction

### Social Knowledge in the Knowledge Society

In this age of digital technology, we enjoy dual existence—one real and the other virtual. The virtual world of digital media has connected us through the web of internet technology which offers diverse kinds of content, media, information, and knowledge (Jones, 1997). Social media has penetrated deeper into our lives and vastly influences the social and economic decisions that we make so often. While browsing social media and networking sites, some of us surely get tempted by various sorts of advertisements displayed therein. Although we may not buy those products, it certainly creates an impression of product knowledge in our minds. It creates interest in our minds to browse further to get more information about such products.

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