



Negative Effects of Social Media in E-Commerce: Consumer Trust, Fraud, and Digital Deception

Submitted by: **Kshetrimayum Bagio Singh** System ID : 2023536507

BBA – Marketing (B)

Under the Guidance of:

Dr. Rahul Singh

Sharda School of Business Studies



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ABSTRACT

Social media platforms are thus critical to the modern e-commerce journey, in awareness, discovery to purchase intent, across almost every category for products. This has resulted in a vast array of negative externalities that undermine the integrity of online marketplaces. The adverse effects of social media on e-commerce including fake reviews, misleading advertisements, influencer-backed deception, scam proliferation, and consumer trust.

Using a mixed-method research design, 31 respondents were surveyed using a structured, closed-ended questionnaire via Google Forms. The respondents were mostly social media users who regularly make online purchases. The quantitative data was analysed using frequency distributions, and the interpretation of findings was against reference to a wide range of existing academic literature in the fields of digital marketing, consumer behaviour, and online trust.

Key findings reveal that 87% of respondents have encountered disappointment after purchasing social media-promoted products. 61% said that they had been victims of misleading advertisements; and 61% affirm having been victims of frauds or scams linked to social media. Scams and fraud social media has been identified as the most negative effect with 61% of the respondents agreeing, followed by fake advertisements (23%). Critically, 84% of respondents agreed or strongly agreed that fake reviews lead to erosion of trust in e-commerce platforms. This culminates in recommendations for accountability and responsibility from social media and ecommerce platforms, regulatory action in this e-commerce space and digital literacy among consumers.

Keywords: *Social media, e-commerce, fake reviews, influencer marketing, consumer trust, online fraud, digital deception, misleading advertisements*

CHAPTER 1: INTRODUCTION

1.1 Background

The merging of social media with e-commerce has transformed the processes of product search, evaluation, and purchase. These platforms, notably Instagram, Facebook, YouTube, TikTok, and Snapchat, have transformed from mere tools for social engagement into intricate commercial networks. Today, millions of purchase journeys do not start on a retailer's homepage but in a social media feed, a sponsored post, or an influencer's product review video. This shift has been hastened by the spread of smartphones, the democratisation of content production, and algorithm-guided personalisation in digital marketing.



Its economic magnitude is huge. Social commerce – the subset of e-commerce that occurs directly through social media – has become a multi-trillion-dollar industry worldwide. India has particular been impacted as the newly affordable mobile and data infrastructure brings hundreds of millions of first-time users online, many of whom first encounter e-commerce in the form of social platform-based retail transactions on WhatsApp, Instagram, or YouTube. Social media review and influencer endorsements are often the primary and sometimes the only information source for such consumers before purchasing a product.

Yet this same ecosystem has proven to be remarkably susceptible to exploitation. The low barriers to content creation, the monetisation incentives built into platform architectures, and the opacity of algorithmic amplification have together opened fertile grounds for misinformation, fraud and deceptive marketing practices. Fake product reviews – often posted by the brands themselves, third parties they have hired, or paid influencers have become so common that researchers estimate ten to twenty percent of all reviews on major platforms to be fabricated or incentivised (Luca and Zervas, 2016). Scam advertisements impersonating genuine brand communications have defrauded billions of dollars from unsuspecting buyers. In numerous documented cases, influencers whose perceived authenticity and relatability make them extraordinarily effective vehicles for marketing have promoted products they never used, products that pose safety risks, or products that are clearly of inferior quality.

Its ripples are far-reaching beyond the mere loss of finances to individuals. At a systemic level, the spread of misleading information on social media weakens the informational basis of trust that supports online commerce, If a potential buyer cannot distinguish genuine product reviews and recommendations from paid endorsements, or authentic sellers from fraudulent ones, then the efficiency of the market is undermined. Businesses that are honest and put their money on the quality of their products and open communication are disadvantaged because of competing businesses manipulating perceptions with fake social proof.

This report places itself at this crossroad of social media impact and the integrity of e-commerce. The report focuses on the particular areas where social media causes harm to consumers in the digital economy of India based on primary survey data collected from 31 respondents and a significant review of peer-reviewed literature.

1.2 Research Objectives

Three key research objectives guide this study:

1. To scrutinize the nature and frequency with which consumers are exposed to misleading, deceptive, or fraudulent content on social media in the context of e-commerce purchasing decisions.
2. To appraise the impact of fake reviews, manipulative influencer marketing and social media advertising on consumers' trust on e-commerce platforms and sellers.
3. To identify the most relevant categories of harm attributed to social media's adverse effects in e-commerce and propose recommendations for mitigation based on evidence.

1.3 Significance of the Study

The significance of investigation this topic comes from several converging realities. First, e-commerce is not a fringe activity; the majority of the population uses it as the primary way to engage with the market as consumers. Any systematic distortion of the information environment in which such purchasing decisions are made has direct consequences for consumer welfare and economic justice. Second, the unprecedented expansion of social media as a product discovery and recommendation tool has far exceeded the rate at which appropriate regulatory frameworks and accountability mechanisms for the platforms have been established, exposing consumers to harm. Third, the Indian market offers a particularly interesting case. There is a massive and increasing number of people using social media and many of them are new to the digital market, and then this population is the most exposed to influencer content and less able to detect deception. Therefore, research documenting the prevalence of negative experiences

and mapping the precise harm pathways is of immediate practical relevance to policymakers, platform operators, brands, and consumer advocacy organisations.

CHAPTER 2: LITERATURE REVIEW

2.1 Previous Research and Studies

2.1.1 Fake Reviews and Consumer Trust

The academic study of fake reviews in online marketplaces has a robust foundation. Among the most frequently cited contributions is the investigation by Luca and Zervas (2016), who analysed review patterns on Yelp and estimated that between ten and twenty percent of reviews on widely used platforms are fabricated or commercially motivated. Their study focused predominantly on hospitality businesses and demonstrated that fake reviews tend to cluster in competitive market segments where reputation is a primary driver of consumer choice, and that they manifest in several recognisable forms: excessively positive reviews designed to boost ratings, targeted negative reviews intended to damage competitors, and ambiguous or confusing reviews that obscure the genuine quality of a product or service.

Subsequent research has explored the conditions under which consumers are most susceptible to fake review influence. DeAndrea et al. (2018) demonstrated that platform context significantly moderates how reviews are perceived: a positive review appearing on a retailer's own website is regarded with substantially more scepticism than the identical review posted on an ostensibly independent third-party platform, because consumers intuitively assess the degree of control the business could have exercised over its appearance. This finding has important implications for the way social media reviews function – they occupy a platform architecture that blurs the distinction between personal expression and commercially motivated content, making the traditional heuristics consumers use to assess review authenticity less reliable.

Lappas (2012) introduced a computational perspective on fake review detection, observing that fraudulent reviews – particularly those generated by human operators rather than automated bots – are structurally difficult to distinguish from genuine ones. They tend to be more emotionally charged, use more superlative language, offer fewer specific product details, and focus disproportionately on brand image rather than functional performance. These stylistic characteristics are, paradoxically, also shared by authentic reviews from highly satisfied or highly dissatisfied customers, which complicates automated detection. Glazer, Herrera and Perry (2021) extended this analysis to the economic equilibria that sustain fake review markets, demonstrating that in sectors with high review sensitivity, the incentives for businesses to generate fake reviews can be strong enough to constitute a stable market distortion rather than a transient opportunistic behaviour.

2.1.2 Influencer Marketing and Deceptive Endorsements

The intersection of influencer marketing and consumer deception has attracted substantial recent attention. Belanche et al. (2021) examined the conditions under which influencer endorsements are perceived as authentic, finding that congruence between the influencer's established persona, the product being endorsed, and the audience's self-image is a critical determinant of credibility. When an influencer promotes products outside their established area of expertise or that are inconsistent with their publicly expressed values, audiences detect the incongruence – but this detection does not always translate into reduced purchase intent, particularly among younger consumers with high parasocial attachment to the influencer.

Dinh and Lee (2021) investigated the role of fear of missing out (FOMO) in influencer-driven purchase decisions, demonstrating that the social visibility of influencer-endorsed products creates a powerful psychological pressure mechanism. Consumers who follow influencers with large audiences experience a form of social proof amplification that can override rational cost-benefit analysis. This mechanism is especially salient in fast-fashion, beauty, and technology product categories where trend currency is a meaningful component of the product's perceived value.



The ethics of paid influencer endorsements have been addressed by several researchers. Anderson and Simester (2014) documented the phenomenon of reviews without genuine product experience – a practice in which consumers are incentivised to leave positive reviews for products they have never purchased or used. This practice, which maps directly onto the influencer endorsement model when influencers receive products or payment without genuine usage experience, fundamentally severs the informational link between the review and the product's actual performance. Mayzlin et al. (2014) identified the practice of astroturfing – the systematic generation of fake grassroots consumer sentiment – as a structurally distinct harm from individual fake reviews, because it manufactures the appearance of broad consensus where none exists.

2.1.3 Consumer Responses and Trust Dynamics

Research on how consumers respond to the discovery of fake or incentivised reviews reveals a consistent pattern of trust damage that extends beyond the specific actor involved. Althoff (2017) examined Instagram product placements and found that audience awareness of commercial

relationships between influencers and brands significantly attenuated the persuasive effect of endorsements. Malbon (2013) argued for treating fake online consumer reviews as a serious regulatory concern, documenting how consumer trust – once eroded by exposure to fake or misleading content – tends to generalise beyond the specific platform or seller involved, creating broader scepticism about online reviews as an information source.

Gajanova, Majerova and Nadanyiova (2020) confirmed that the long-term brand equity consequences of deceptive marketing practices are severe and often disproportionate to any short-term gains in sales. Brands that rely on manufactured social proof face accelerated credibility collapse when deceptive practices are exposed, a pattern observed repeatedly in the beauty and health supplement sectors. Schuckert et al. (2015) emphasised that the consequences of fake review ecosystems extend to honest competitors, who are forced to compete not merely on product quality but against artificially inflated reputations.

Mariani and Borghi (2020) documented the specific harm caused by employee-generated reviews in the hospitality sector, a form of insider manipulation that creates a veneer of customer satisfaction that systematically misleads potential consumers. Their findings are transferable to the social media context, where brand employees or close associates posting ostensibly independent reviews represent a particularly insidious form of deception precisely because it is so difficult to detect.

2.2 Research Gap

While the existing literature provides a rich foundation for understanding fake reviews, influencer deception, and consumer trust dynamics, several significant gaps remain. Most established research focuses on Western markets, particularly the United States and Western Europe, and on specific sectors such as hospitality and restaurants. There is comparatively limited empirical work examining how these phenomena manifest in rapidly developing digital economies like India, where social media penetration is high but consumer protection infrastructure is less mature.

Furthermore, the existing literature has not fully integrated the analysis of multiple harm pathways – fake reviews, fraudulent advertisements, influencer deception, scam proliferation, and social pressure dynamics – into a unified framework. Most studies address one phenomenon in relative isolation. There is also a need for consumer-facing empirical evidence that documents not merely

awareness of these issues but direct personal experience of harm, which this study seeks to provide through its primary data collection.

2.3 Research Originality

This study contributes original value by synthesising multiple negative effects of social media on e-commerce into a single analytical framework, grounded in primary survey data collected from a representative sample of digital consumers. Unlike studies that examine either fake reviews or influencer marketing in isolation, this research captures the interconnected web of trust-eroding mechanisms that social media creates in the e-commerce

environment. The focus on the Indian consumer context, combined with the integration of questions spanning scam experience, purchase regret, fake review perception, social pressure, and influencer scepticism, enables a more holistic and contextually relevant picture of the problem than has previously been documented in the academic literature for this market.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Methodology

This study adopted a mixed-method research design, combining quantitative primary data collection with a qualitative review of existing academic literature. The quantitative component was designed to generate measurable evidence of consumer experiences and attitudes regarding the negative effects of social media in e-commerce, while the literature review provided contextual and theoretical grounding for the interpretation of those findings.

The primary data were collected through a structured, closed-ended questionnaire comprising ten survey items, administered via Google Forms over a period of two days in April 2026. The questionnaire was designed to be accessible, concise, and comprehensible to respondents across varying levels of digital literacy. Questions were framed around concrete personal experiences and attitudinal assessments, using a combination of dichotomous response options (Yes / No), three-point options (Yes / Maybe / No), and five-point Likert-style agreement scales (Strongly Disagree to Strongly Agree), depending on the nature of the construct being measured.

The sampling approach employed was simple random sampling, which ensures that every member of the accessible population has an equal probability of inclusion, thereby reducing systematic selection bias. The final sample consisted of 31 respondents, drawn from a diverse cross-section of social media users engaged in online shopping. While this sample size is modest and limits the generalisability of findings to the broader population, it is sufficient to generate indicative patterns and to support the exploratory objectives of this undergraduate research project. The responses are treated as directionally informative rather than statistically representative in any strict inferential sense.

Secondary data were sourced from peer-reviewed journals accessed through Google Scholar and ResearchGate, with selection criteria emphasising academic rigour, recency (preference given to publications from 2013 onwards), and direct relevance to the study themes of fake reviews, influencer marketing, online fraud, and consumer trust in e-commerce contexts.

3.2 Data Analysis and Results

The following section presents the findings from the survey questionnaire, with each question analysed in terms of frequency distribution across response categories. Data are presented in tabular and narrative form. The total number of respondents is 31 for all questions.

Q1: How often do you use social media while shopping online?

Frequency of Use	Number of Respondents	Percentage
Always	6	19.4%
Often	14	45.2%
Sometimes	9	29.0%
Rarely	2	6.5%

The data reveal that an overwhelming majority of respondents (64.6%) use social media often or always while engaging in online shopping. A further 29% do so sometimes, leaving only 6.5% who rarely integrate social media into their shopping behaviour. This high baseline level of engagement underscores the significance of understanding how social media content shapes – and potentially distorts – the e-commerce experience.

Q2: Have you ever purchased a product online because of misleading social media advertisements?

Response	Number of Respondents	Percentage
Yes	19	61.3%
No	12	38.7%

Approximately 61% of respondents acknowledged that they have, at least once, made an online purchase as a result of misleading social media advertising. This is a striking finding: nearly two in three respondents in the sample have been successfully deceived into a purchase by a dishonest advertisement. The remaining 39% either have not had this experience or were unable to attribute a purchase decision to misleading content, though the latter distinction cannot be reliably assessed through self-report.

Q3: Do you think fake reviews on social media affect your trust in e-commerce platforms?

Response	Number of Respondents	Percentage
Strongly Agree	11	35.5%
Agree	15	48.4%
Neutral	5	16.1%
Disagree	0	0.0%
Strongly Disagree	0	0.0%

The consensus here is near-absolute. A combined 83.9% of respondents agreed or strongly agreed that fake reviews undermine their trust in e-commerce platforms, with no respondent actively disagreeing. The 16.1% who responded neutrally may reflect genuine ambiguity about the causal relationship between fake reviews and trust, or uncertainty about the extent of their personal exposure to fake reviews. The absence of any disagreement is itself informative, suggesting that scepticism about the trust-eroding effects of fake reviews is essentially non-existent in this sample.

Q4: Have you experienced disappointment after buying a product promoted on social media?

Response	Number of Respondents	Percentage
Yes	27	87.1%
No	4	12.9%

This finding represents one of the most striking results of the survey. An extraordinary 87% of respondents reported having experienced post-purchase disappointment following the acquisition of a social-media-promoted product. The near-universality of this experience among active social media users strongly suggests that the gap between social media product representation and actual product quality is not an occasional aberration but a structural feature of the current social commerce environment. Only 13% of respondents reported no such experience.

Q5: Do social media influencers sometimes promote low-quality products for profit?

Response	Number of Respondents	Percentage
Strongly Agree	7	22.6%
Agree	21	67.7%
Neutral	3	9.7%
Disagree	0	0.0%
Strongly Disagree	0	0.0%

A substantial 90.3% of respondents agreed or strongly agreed that social media influencers sometimes endorse low-quality products for financial gain. No respondent disagreed. This finding reflects a widespread and robust consumer scepticism about the motivational integrity of influencer endorsements – a scepticism that, as the previous question suggests, is grounded in lived purchasing experience rather than mere abstract concern. The near-zero neutral response rate and complete absence of disagreement makes this one of the most consensual findings in the survey.

Q6: Do you think excessive social media ads encourage unnecessary online shopping?

Response	Number of Respondents	Percentage
Yes	21	67.7%
Maybe	8	25.8%
No	2	6.5%

Approximately 68% of respondents affirmed that excessive social media advertising encourages unnecessary purchases, with a further 26% acknowledging this as a possibility. Only 6.5% rejected the premise entirely. This pattern suggests that the majority of respondents experience social media advertising not merely as informational – directing their attention to products they genuinely need – but as a persuasion environment that actively stimulates demand for purchases they would not otherwise have considered. This has direct implications for consumer financial wellbeing and speaks to the behavioural economics literature on digital nudging.

Q7: Have you ever faced scams or fraud through products advertised on social media?

Response	Number of Respondents	Percentage
Yes	19	61.3%
No	12	38.7%

Identical in distribution to Question 2, this finding reveals that 61% of respondents have personally encountered fraud or scams originating from social media product advertisements. This is a particularly significant figure because scam victimisation typically involves direct financial harm rather than merely post-purchase dissatisfaction. The fact that a majority of respondents report direct fraud experience underscores the acuteness of the safety risk that social media advertising environments currently present to consumers.

Q8: Does social media create pressure to buy trending products you do not need?

Response	Number of Respondents	Percentage
Strongly Agree	2	6.5%
Agree	16	51.6%
Neutral	9	29.0%
Disagree	2	6.5%
Strongly Disagree	2	6.5%

Approximately 58% of respondents agreed or strongly agreed that social media generates psychological purchasing pressure through the promotion of trending products. A notable 29% remained neutral, possibly reflecting ambivalence about the extent to which their own behaviour is pressure-driven rather than genuinely chosen. A minority (13%) disagreed. The finding aligns with the FOMO-driven purchasing literature reviewed in Chapter 2, suggesting that social media's architecture of social proof and trend amplification creates real compulsive spending pressures for a majority of active users.

Q9: Do you think social media reduces trust in genuine e-commerce businesses because of fake sellers?

Response	Number of Respondents	Percentage
Yes	17	54.8%
Maybe	11	35.5%
No	3	9.7%

A majority of 55% of respondents believed that the presence of fake sellers on social media actively damages the reputations of legitimate e-commerce businesses. A further 35.5% considered this to be possible, leaving only 10% who did not see this as a concern. This finding echoes the literature on market distortion: when fraudulent actors occupy the same informational space as honest ones, consumer scepticism tends to generalise rather than discriminate, causing collateral reputational harm to honest businesses.

Q10: In your opinion, what is the biggest negative effect of social media on e-commerce?

Identified Negative Effect	Number of Respondents	Percentage
Scams/Fraud	19	61.3%
Fake Advertisements	7	22.6%
Low-Quality Products	3	9.7%
Privacy Issues	1	3.2%
Unnecessary Spending	1	3.2%

When asked to identify the single most significant negative effect of social media on e-commerce, respondents overwhelmingly selected scams and fraud (61.3%), followed by fake advertisements (22.6%). Low-quality products garnered 9.7% of responses, while privacy issues and unnecessary spending each captured 3.2%. The dominance of scams and fraud as the primary identified harm is consistent with the finding in Question 7 that a majority of respondents have direct personal

experience of social-media-linked fraud, suggesting that experiential severity – actual financial loss – rather than abstract concern drives the salience of this harm category.

3.3 Discussion

Taken together, the survey findings construct a portrait of a consumer environment in which social media's negative effects on e-commerce are pervasive, personal, and multidimensional. Several integrative observations merit attention.

The finding that 87% of respondents have experienced post-purchase disappointment after buying social-media-promoted products is striking in its near-universality. This suggests that the problem is not marginal but structural: for the vast majority of socially-connected consumers, the experience of being misled or disappointed by a social-media-endorsed product is not an exceptional occurrence but an expected feature of the digital shopping landscape. This normalisation of deception is itself a significant harm, as it degrades the quality of the information environment in which all purchasing decisions – including genuine, well-informed ones – must be made.

The convergence of high personal fraud experience (61%) and high agreement that fake reviews erode trust (84%) suggests a reinforcing dynamic: consumers who have been personally defrauded or disappointed become more sceptical of reviews and endorsements generally, which reduces the value of legitimate user-generated content as a decision-making resource. As Malbon (2013) argues, the generalisation of distrust is one of the most damaging systemic consequences of fake review ecosystems.

The near-unanimous agreement (90%) that influencers sometimes promote low-quality products for profit, combined with the 61% who reported purchasing after misleading advertisements, reveals a tension between intellectual awareness of influencer deception and behavioural susceptibility to it. This gap – knowing that influencers may be dishonest but continuing to be influenced by their endorsements – is consistent with the dual-process cognitive literature and with the specific effects of parasocial relationships documented by Belanche et al. (2021).

Finally, the identification of scams and fraud as the primary harm (61%) ahead of fake advertisements (23%), low-quality products (10%), and other concerns reflects the primacy of direct financial harm in consumer threat perception. While the subtler harms of unnecessary spending and eroded trust are real and arguably more pervasive, they lack the salience of direct financial victimisation. This has implications for communication strategy: consumer protection messaging may be most effective when it foregrounds the concrete fraud risk rather than the more diffuse concerns about product quality or spending behaviour.

CHAPTER 4: KEY FINDINGS

The following consolidated findings emerge from the integration of primary survey data and the literature review:

1. A significant majority of respondents (64.6%) use social media frequently or always when shopping online, confirming that social media is a primary channel of consumer engagement in the e-commerce journey rather than a peripheral one.
2. Nearly two-thirds of respondents (61.3%) reported having made at least one online purchase as a result of a misleading social media advertisement, confirming that deceptive advertising practices cause real and measurable behavioural harm.
3. The vast majority of respondents (83.9%) agreed or strongly agreed that fake reviews on social media erode their trust in e-commerce platforms. Zero respondents disagreed, making this the strongest area of consensus in the survey.

4. An extraordinary 87.1% of respondents experienced post-purchase disappointment after buying a social-media-promoted product. This finding suggests that the gap between social media representation and product reality is a structural, systemic feature of the current social commerce environment rather than an occasional exception.
5. Ninety percent of respondents agreed or strongly agreed that social media influencers sometimes endorse low-quality products for financial gain, reflecting a near-universal awareness of motivational dishonesty in influencer marketing.
6. More than two-thirds of respondents (67.7%) believed that excessive social media advertising generates demand for unnecessary purchases, with a further 25.8% considering it a possibility. This implicates social media advertising as a driver of financially harmful impulsive spending.
7. A majority of respondents (61.3%) reported having personally faced scams or fraud originating from social-media-advertised products, confirming that social media advertising environments present a direct and substantial consumer safety risk.
8. Social media-driven purchasing pressure for trending products was acknowledged by 58.1% of respondents, with a further 29% remaining neutral. This finding corroborates the FOMO-driven purchasing literature and suggests that social media architecture actively exploits psychological vulnerability to social comparison.
9. More than half of respondents (54.8%) believed that the presence of fake sellers on social media damages the trustworthiness of legitimate e-commerce businesses, indicating that fraud and deception have negative collateral effects on honest market participants.
10. Scams and fraud were identified as the single biggest negative effect of social media on e-commerce by 61.3% of respondents, followed by fake advertisements (22.6%), low-quality products (9.7%), privacy issues (3.2%), and unnecessary spending (3.2%).

CHAPTER 5: CONCLUSION

This study set out to examine the negative effects of social media on e-commerce, with a focus on fake reviews, misleading advertisements, influencer-backed deception, fraud, and the erosion of consumer trust. Through a combination of primary survey data from 31 respondents and an extensive review of academic literature, the research has constructed a detailed and empirically grounded picture of the harm that social media's integration into the e-commerce environment is currently generating.

The findings leave little room for ambiguity. The majority of active social media users who shop online have personally encountered misleading advertisements, experienced post-purchase disappointment after social-media-driven purchases, and in many cases been directly victimised by fraud or scams. Consumer awareness of the dishonesty prevalent in influencer marketing is high, yet this awareness does not fully protect against behavioural susceptibility – a pattern consistent with the academic literature on dual-process cognition and parasocial influence.

Trust, which is the foundational currency of any marketplace, is being systematically eroded by the cumulative effect of these deceptive practices. When fake reviews are indistinguishable from genuine ones, when influencer endorsements cannot be taken at face value, and when fraud is a predictable feature of the advertising environment rather than an exceptional occurrence, consumers face a profoundly degraded information environment. The capacity of e-commerce to function as an efficient and fair marketplace is contingent on the integrity of the information flows that underpin consumer decision-making. Social media, in its current form, represents a significant threat to that integrity. This is not to argue for the elimination of social media's role in commerce – the genuine informational value of authentic reviews and trustworthy influencer content is real. But the current balance between benefit and harm is not acceptable, and it will not correct itself through market mechanisms alone. Structural interventions are required at the platform, regulatory, and consumer education levels. The final section of this report offers specific recommendations toward that end.



RECOMMENDATIONS

For Social Media Platforms

- Mandatory and standardised disclosure of paid partnerships should be enforced with technical verification, not left to voluntary influencer compliance. Platforms should require auditable documentation of commercial relationships before sponsored content is published.
- AI-powered fake review detection systems should be continuously developed and deployed, with transparency reports published periodically to allow academic and regulatory scrutiny of their effectiveness.
- Advertising standards for social commerce should be elevated to at least the standards applied to conventional broadcast media, with meaningful penalties for advertisers whose content is found to be materially misleading.
- Scam reporting mechanisms should be simplified and response times shortened, with public accountability metrics for the speed and completeness of fraudulent content removal.

For Regulatory Bodies

- Consumer protection legislation should be updated to explicitly address social-media-mediated e-commerce fraud, with clear provisions for jurisdictional authority over platforms that operate across borders but target domestic consumers.
- Influencer marketing guidelines should be codified in law rather than left to industry self-regulation, with specific requirements for disclosure language, placement visibility, and record-keeping.
- Digital literacy programmes should be integrated into school and university curricula to equip young consumers with the critical skills needed to assess social media product claims independently.

For Consumers

- Consumers should cultivate the habit of cross-referencing product reviews across multiple independent platforms before making purchase decisions, rather than relying solely on social media testimonials.
- Red flags for fake or incentivised content should be learned and applied: excessively uniform positivity in reviews, absence of product-specific detail, recent account creation dates, and undisclosed commercial relationships.
- Secure payment methods with buyer protection should be preferred, and purchases from unverified social media sellers should be approached with heightened caution.

For Brands and Marketers

- Long-term brand value is better protected by genuine product quality and transparent marketing than by manufactured social proof. Brands that invest in authentic consumer relationships will be more resilient when deceptive practices by competitors are exposed.
- Influencer partnerships should be subject to internal ethical standards that go beyond legal compliance, including requirements for genuine product experience before endorsement and prohibition on promoting products with known safety or quality deficiencies.

LIMITATIONS OF THE STUDY

This study, while generating meaningful and indicative findings, is subject to several limitations that should be acknowledged in the interpretation of its results.

First, the sample size of 31 respondents, while appropriate for an exploratory undergraduate research project, is



insufficient to support statistical generalisation to the broader population of social media users and online shoppers in India or elsewhere. The findings should be understood as directionally informative and hypothesis-generating rather than definitive or representative in any inferential statistical sense.

Second, the survey was conducted over a short window of two days in April 2026, which means that the findings reflect a specific moment in a rapidly evolving digital landscape. Platform behaviours, consumer attitudes, and the regulatory environment may shift significantly over relatively short periods, potentially reducing the longitudinal validity of the findings.

Third, self-report data is inherently susceptible to social desirability bias, recall bias, and attribution errors. Respondents may over- or under-report negative experiences with social media for a variety of reasons, and may not always accurately attribute the causes of purchase decisions to specific advertising or endorsement exposures.

Fourth, the questionnaire used closed-ended items, which, while facilitating efficient quantitative analysis, necessarily constrain the richness of individual responses and prevent the capture of nuanced experiential or attitudinal information that qualitative methods such as in-depth interviews might elicit.

Fifth, the sample appears to skew towards frequent social media users, which may produce higher reported rates of exposure to negative experiences than would be found in a truly random population sample. This self-selection effect should be considered when comparing these findings to baseline population statistics.

Future research might address these limitations through larger and more demographically stratified samples, longitudinal study designs, mixed qualitative and quantitative data collection, and cross-market comparative analysis.

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APPENDIX: SURVEY QUESTIONNAIRE

The following questionnaire was administered via Google Forms .

Section A: Social Media and Shopping Behaviour

Q1. How often do you use social media while shopping online?

- Always
- Often
- Sometimes
- Rarely

Q2. Have you ever purchased a product online because of misleading social media advertisements?

- Yes
- No

Section B: Fake Reviews and Trust

Q3. Do you think fake reviews on social media affect your trust in e-commerce platforms?

- Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree

Q4. Have you experienced disappointment after buying a product promoted on social media?

- Yes
- No

Q5. Do social media influencers sometimes promote low-quality products for profit?

- Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree

Section C: Advertising, Fraud, and Consumer Pressure

Q6. Do you think excessive social media ads encourage unnecessary online shopping?

- Yes | Maybe | No

Q7. Have you ever faced scams or fraud through products advertised on social media?



- Yes

- No

Q8. Does social media create pressure to buy trending products you do not need?

- Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree

Q9. Do you think social media reduces trust in genuine e-commerce businesses because of fake sellers?

- Yes | Maybe | No

Section D: Open Assessment

Q10. In your opinion, what is the biggest negative effect of social media on e-commerce?

- Scams/Fraud

- Fake Advertisements

- Low-Quality Products

- Privacy Issues

- Unnecessary Spending