

Innovative Marketing & Social Commerce: Addressing Fraud Risks in Consumer Behavior

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Abstract:

This study examines the various innovative marketing strategies employed on social networking platforms and their connection to financial frauds and criminal activities. A comprehensive analysis of existing research papers has been conducted to explore these relationships. The main goal of this review is to consolidate findings from multiple studies, offering cumulative insights that can serve as a valuable resource for future research. The primary aim of the survey conducted during this study was to assess public awareness regarding crimes occurring on social networking sites. The findings provide significant insights into understanding consumer purchase intentions and highlight ways to foster the growth of social commerce. This paper aims to offer a thorough overview of how marketing strategies in the realm of social media influence both consumer behavior and the prevalence of financial fraud, while providing a foundation for further investigations into preventive measures.

Keywords: Marketing strategies, social commerce, consumer behavior, financial frauds.

INTRODUCTION

In today's era of technology, market innovations, strategies and social media, we see a rapid evolution that brings numerous facilities and conveniences to the public. There are various marketing strategies through social networking sites that influence consumer behavior. Consumers are often attracted to these strategies and products, ultimately leading them to make purchases. However, sometimes they face online financial frauds in the process. In this study we are discussing various marketing strategies that are now a days very popular. Companies are using social networking sites as a marketing strategy to commercialize their products and services. Under the SNSs are there is Instagram, whatsapp etc. Due to the vast number of prospects on social networking sites (SNSs), companies can target a larger audience. Through online strategies, they can manage customer relationships more effectively. As we know, better communication is possible through emails and text messages. Let us discuss all the terms related to paper in detail:

INNOVATIVE MARKETING STRATEGIES

Innovative marketing strategies simply means that figure out new methods through which businesses can connect with every person in the market whom they want to sell their products. Nowadays in the era of technology, companies implementing the marketing strategies with the help of internet. As we already discussed various social networking sites are available on which business are working and use these sites very deeply. We also experience these strategies on internet through social media like instagram we see various ads. While watching You tube videos during also we see various ads, all these are the core part strategies. Ultimately companies have to focus on the different ways to communication with consumers that helps to analyze the needs of consumers.

SOCIAL COMMERCE (S-COMMERCE)

Social Commerce generally known as S-Commerce is very popular. This is a part of E-Commerce. S-commerce term initially put forward by yahoo in 2005. Social commerce can be defined as the application of word-of-mouth to E-Commerce (**Dennison et al. 2009**). S-commerce is a comprehensive that is used over internet market. Under S-Commerce the role of social media sites is very important and crucial because these are the main leadings of various activities. To summarize, the meaning of social commerce is essentially a combination of interactions with various communities, understanding commercial routes, and engaging with different social media sites so, S-Commerce is place where different communities can interact and share their point of views (**Ting-Peng Liang et al. 2011**). It is an interdisciplinary model which includes vast areas like market models, consumer behavior, market research, financial activities and many more. Sociable exercises may include people are imparting their day to day activities, their ideas, post their personal life on social media to connect with public and explore the things.

FINANCIAL FRAUDS

Here we are discussing about the financial frauds which the customers may face at online market. Risk which may cause the non-delivery of products or services even after the pre-payment are generally denoted as financial frauds. Financial frauds directly related to online payments which people can done and later they do not receive the product or services. There are different financial fraudulent activities through which consumers may suffer. Sometimes fake websites are created by some people and may attack on consumers. Sometimes, fake phone calls are made to consumers claiming they have won a lottery. To receive the lottery prize, they are asked to deposit a certain amount into the caller's account. This is also considered a financial fraud.

Rahim Tariq and Hussain Mumtaz (2019) discussed the various categories of social media cyber-crimes as per the report of National White Collar Crime Centre (NW3C):

- (a) Cyber Casing: This is used by criminals, under this criminals generates a fake location with the help of online sources.
- (b) Identity Theft: Here criminals use the confidential data of peoples without their consent and target them.
- (c) Burglary via Social Web: Under this category criminals intentionally find the accounts on social media. They check on the core activities of account holders and target them.

(d) Malware: It is basically software generated by criminals to steal the confidential information of companies, people, and clients. Under this software is generated like that it hack the system of target ones.

(e) Social Phishing: under this category usually criminals deliberately win the trust of peoples and attack them, aim on peoples to get their personal information.

REVIEW OF LITERATURE

To understand the concept of online market, market strategies, S-Commerce, financial frauds various studies are scrutinized. As these studies provide us the detailed view of S-commerce. Below are the details of different paper:

Jamvitheelert Phichayaporn et al. (2024) claimed that with the emergence of e-commerce market view of buying and selling of goods and services have been changed. With this modification patterns grievances and scams in internet transactions are also hiked. Researcher focus on Thai University's students how they are influence from social commerce and how they are suffer from online financial crimes. This study include the data in which analyzed that in 2021 number of cases are filed related to non-delivery of ordered goods and out of which some are related to delivery of damaged goods. At the ends study defined the relationship between different variables through regression and co-relation.

Kolhe Durgeshwary et al. (2024) in their study understanding of financial frauds and factors related to it are discussed. These frauds have negative results and affect the trust of economy very badly. These frauds are conducted through social network sites either straight forward or circuitously. Most of fraudulent activities are aligned by winning the trust of innocent public, and ask them to click on malicious links or try to get access of their personal bank accounts. The paper also gave strategies for avoidance and identification of financial frauds and crimes.

Nadeak Thomas et al. (2024) discussed the various market approaches on which managers have to focus. Managers have to list out what they want to earn and in which online media they have to spend. Collect data from global journals available on Google Scholar and Scopus Database. As researcher said one of the advanced marketing approaches is digital platform. Now consumers use the web 2.0 in place of web 1.0.this conversion enable companies to opt the advanced market approach. These approaches are cost friendly and allow companies to disseminate their advertisement of products in one go. At the end, the author also provides advice, noting that companies must invest in coaching their employees to adopt digital skills.

Zhang et al. (2023) examine the role of trust and security in the development of social commerce, particularly in light of increasing concerns about financial fraud. Their research underscores how consumer behavior has shifted in response to the rising frequency of fraud-related incidents, such as phishing scams and identity theft. Researchers discuss how social commerce platforms have become vulnerable to these risks, which significantly affect consumer trust. They emphasize that to overcome these challenges, businesses must implement advanced fraud detection systems, transparent user reviews, and secure payment options to protect consumer data. The authors argue that enhanced security protocols, such as two-factor authentication and AI-based fraud detection, are essential to

restoring consumer confidence. Furthermore, the study suggests that social commerce platforms must focus on building long-term trust through consistent and transparent practices to encourage continued consumer engagement. As fraud prevention and consumer protection continue to be a priority, researchers stress that social commerce platforms must evolve their strategies to meet these growing demands.

Mogaji Emmanuel et al. (2022) figure out the hidden aspects of technical advancement and give the perspectives of digital wallet in sub Saharan Africa and show the conceptual view. The study broadens this area by looking past the typical consumer acceptance and technological factors of mobile money. Here attention is directed towards exploring the negative aspects and fundamental issues within the ecosystem, particularly in the context of Africa.

Nicholls Jack et al. (2021) discussed in their study about the development of financial frauds. For conduct the fraudulent activities hackers create and use the unauthentic links, websites. People face the fraud conclusion in buying and selling of general goods even in derivative market also. The author reflected on ML (Machine learning) and DL (Deep learning) in monetary frauds addressing the unsealed issues. As a conclusion stated that there are prevention methods of fraud that everyone has to be aware to that and while dealing need to be very conscious.

Liu et al. (2019) offer a comprehensive review of the risks associated with online fraud in social commerce environments. The authors analyze how fraud, including identity theft, phishing scams, and counterfeit goods, can significantly undermine consumer trust. This distrust leads to hesitance in engaging with social commerce platforms. The paper highlights that many consumers, due to the perceived risks, are reluctant to share personal information or make purchases through social media and e-commerce platforms. Researchers suggest that to address these challenges, businesses must adopt advanced fraud prevention systems, such as AI-based detection tools, and provide secure payment options. They further stress the importance of transparency in the communication of security practices to customers. This research underscores the growing need for businesses to protect their digital spaces from fraud, thereby fostering a more secure and trustworthy online environment. By doing so, companies can increase consumer confidence and enhance their social commerce effectiveness.

Wang et al. (2018) analyze how financial fraud undermines consumer trust in social commerce platforms. Their research highlights how fraudulent activities, such as phishing and deceptive advertising, contribute to consumers' reluctance to engage in online transactions. They discuss the growing need for advanced fraud detection technologies, including machine learning and artificial intelligence, to better protect users and maintain the credibility of social commerce platforms.

Bajwa Arshdeep and Goyal Pratibha (2017) discussed the capacity of s-commerce in merchandising the varied outputs. S-commerce is a working as unification among online and offline places. Also focusing on retailers that in near future demand of online activities is increased and they have to be aware at very early stages. Consumers are becoming smarter and more active in their shopping.

Kaur Rajveer and Singh Gurwinder (2017) while studying they present the concept of market approaches and figure out the correlation between market approaches and online media. Where

online media is used for gather information prospect consumers can filter the options and get the information as per they required. The aim of paper is to understand the digital media and how much it is developed throughout in few years. The paper is conceptual and different web applications are visited to combine the data. Further concluded that under the digital marketing transactions are translucent and safe, but companies have to maintain the personal data of consumers hidden.

Chen et al. (2016) in this study, the authors examine the influence of social commerce on consumer purchasing behavior, particularly focusing on the role of online reviews, social media engagement, and peer interactions in shaping buying decisions. The paper emphasizes how user-generated content, such as product reviews and social media posts, significantly impacts consumer trust and purchase intent. The study also highlights the importance of recommendations and social influence in the decision-making process, suggesting that businesses should strategically leverage these factors to enhance customer engagement and sales.

Grewal et al. (2015) explore the evolution of retailing, emphasizing the role of digital technologies in transforming how businesses engage with consumers. They focus on how social commerce platforms, powered by social media, have redefined retail marketing strategies. The paper highlights the importance of customer engagement through personalized experiences and the integration of online and offline retail models to adapt to changing consumer behavior. It also provides a forward-looking view on the future of retailing, outlining the impact of technology on consumer expectations and business strategies.

Huang and Benyoucef (2014) explore consumer preferences regarding different features of social commerce platforms. They identify key factors that influence user engagement and decision-making processes, including social interaction, trust, and product recommendations. Their research provides insights into how social commerce can be optimized to improve user experience and drive sales, making it highly relevant to businesses looking to enhance their online presence and marketing strategies.

Zhou Lina et al. (2013) claims the various model the insights into the concept of social commerce. The researcher focuses comprehensively on the understanding of social commerce. While studying focus on various themes, components, models that assist the study and results through special coverage from key five articles. From results it is identified that for customers social commerce is very helpful as they got current updates about market and new products and they enjoy while spending.

OBJECTIVES OF THE STUDY

All studies are carried out for a particular purpose. Objective of this study is to

- (i) Understand the creativity of marketing approaches on social commerce and how these approaches change the buying behavior of consumers.
- (ii) Another objective is to comprehend the financial frauds that are faced by consumers after buying from social networking sites (SNSs).

RESEARCH METHODOLOGY

An extensive review was made to fulfill the objectives of the paper. Nature of this paper is empirical. Secondary data utilized for the past five years. Data related to important terms also included like s-commerce, marketing strategies, financial frauds and for this terms various websites are also referred. More than twenty journal papers are included to reach at conclusions.

This study employs a systematic review methodology to explore the relationship between social commerce, innovative marketing strategies, and their impact on consumers, particularly focusing on the issue of financial fraud. The review will gather peer-reviewed articles and empirical studies published within the last decade (2014–2024) from reputable databases such as Google Scholar, Scopus, and Web of Science. To ensure the inclusion of high-quality studies, only articles discussing the influence of innovative marketing techniques in the s-commerce context and addressing consumer-related financial fraud will be considered. Studies will be selected based on their methodological rigor, including both quantitative and qualitative research designs.

Once studies are identified, data will be extracted regarding key variables such as marketing strategies employed in s-commerce, consumer trust, behavior, and the frequency and types of financial fraud. The data will be synthesized using both qualitative and quantitative approaches. For studies presenting statistical results, meta-analysis techniques will be used to calculate effect sizes and summarize the overall impact of marketing strategies on consumer behavior, while thematic analysis will be applied to qualitative studies to identify recurring themes related to consumer fraud. This methodology will allow for a comprehensive synthesis of existing literature, highlighting trends, gaps, and areas for future research. The review will also critically examine the effectiveness of various fraud prevention measures and their implications for enhancing consumer trust in social commerce environments. Ethical considerations, such as the proper citation of sources, will be strictly followed throughout the review process.

RESULTS AND DISCUSSIONS

The above review of literature gives us a comprehensive view of social commerce and its influence on consumer activities. S-commerce is widely spread, its knowledge is mandatory to protect from various category of frauds that is committed by criminals. Above studies concluded various alternatives that help the people. **Rahim Tariq et al. (2019)** provide the various preventive measures against the cyber casing, card fraud, cyber casing, malware etc. In general also peoples have to avoid revealing their private life on social media, because most of the criminals track on you and pattern the activities that you have done in your regular lives. On that they will target the victims and attack badly. Marketing fraud is illegal activity. As marketers intentionally prominent the positive sides of their products and under lap the negative aspects, in that way consumer are trapped by marketers ultimately suffer the heavy losses. In between that online criminals takes the advantage and directly or indirectly hits the people. **Drury Bret et al. (2022)** discuss how to identify the fraudulent activities, impersonal accounts, and criminals.

The findings indicate that social commerce has significantly influenced consumer behavior by transforming the way people shop and interact with brands. Features like product reviews, social media engagement, and personalized recommendations have shifted the purchasing process from

traditional retail to more dynamic, consumer-driven interactions. As a result, trust has become a crucial factor for consumers when deciding to engage with social commerce platforms. However, alongside this growth, concerns about financial fraud—including scams like phishing and the sale of counterfeit goods—have also intensified, creating barriers to consumer confidence and engagement in these platforms.

To mitigate these challenges, businesses must focus on reinforcing consumer trust by ensuring transparent communication, providing secure payment methods, and delivering accurate product information. The implementation of advanced fraud detection technologies, such as machine learning algorithms and secure authentication systems, is essential in maintaining platform integrity and protecting consumer data. These measures not only safeguard users but also encourage long-term customer loyalty by creating a safer shopping environment.

Despite these technological advancements, many consumers remain unaware of the risks involved in online shopping. To address this, it is crucial for businesses to take an active role in consumer education. Informing users about how to identify fraudulent activities and emphasizing the security measures in place on platforms will help reduce anxiety and increase engagement. As businesses adopt these strategies, they will likely see improved trust, higher conversion rates, and stronger relationships with customers in an increasingly digital marketplace.

CONCLUSION

As per grounded on the study, Innovative marketing strategies brings changes in the mind of consumers and effects the buying behavior. Criminals also observe various techniques and reasons for conducting fraudulent activities. One of the reasons is to take advantage of emerging and latest marketing strategies. This study has examined the growing influence of innovative marketing tactics and social commerce on consumer behavior. A thorough review of relevant research indicates that while these strategies provide exciting avenues for brand engagement and expansion, they also present new challenges, particularly concerning the rise of financial fraud. The analysis emphasizes the necessity for brands to implement strong protective measures and adhere to ethical marketing standards in this digital age. By proactively addressing fraud risks, businesses can build stronger consumer trust and foster long-lasting, positive relationships with their audiences in the realm of social commerce.

Furthermore, it is crucial for consumers to remain vigilant and informed about the potential risks of online fraud. As digital transactions and social commerce continue to rise, users must develop an awareness of common fraudulent practices, such as phishing, identity theft, and misleading advertisements. Educating consumers about these threats, encouraging them to use secure payment methods, and promoting awareness of online safety can significantly reduce their exposure to fraud. Collaboration between businesses, governments, and consumer advocacy groups is key to creating a safer digital environment, ensuring that consumers can enjoy the benefits of social commerce without compromising their financial security.

LIMITATIONS AND FUTURE STUDY

This paper includes the significance of emerging technologies of marketing, s-commerce, fraudulent activities but somewhere there is a lack that why criminals adopt online sites to affect the people. As we discussed details of marketing strategies along with S-commerce and emerging ways of frauds that are used by criminals, somewhere there is a lack of technical knowledge that everyone does not have. General people must need to understand the concept of online system deeply and need to be aware of every kind of situation. Future researchers can further study logic behind the activities, as this task is easy to implement by criminals.

Future research on innovative marketing strategies, social commerce, and financial fraud can explore several emerging areas. One key focus could be examining consumer trust and online security within social commerce platforms, particularly how security features influence consumer confidence and help prevent fraud. Additionally, integrating artificial intelligence and machine learning tools for fraud detection could significantly improve online security and offer deeper insights into consumer behavior. Researchers could also explore consumer behavior in social commerce across different cultures to understand how marketing and fraud prevention strategies need to be adapted for diverse regions. Another promising area is the application of block chain technology to enhance transaction transparency and reduce fraud risks. The role of legal frameworks and regulations in protecting consumers from fraud within the growing social commerce sector is also crucial, especially considering the unique challenges these platforms face. Another interesting topic is the influence of social media influencers, looking at how they impact consumer decisions and the potential risks of fraudulent schemes they may inadvertently promote. Further studies could investigate the effectiveness of consumer awareness campaigns in improving vigilance and reducing fraud. Research into how businesses balance personalized marketing with data privacy concerns can also help understand how to build trust while safeguarding consumer information. Lastly, exploring the broader economic impact of financial fraud in social commerce, as well as the role of online reviews in detecting fraudulent activity, could lead to more effective strategies for promoting transparency and security. These potential research areas reflect the growing complexity of social commerce and financial fraud, offering ample opportunities to understand and address emerging challenges.

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