Social Media Usage Results in Purchasing Online

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In our study including four countries throughout three industries, we show that a high level of consumer identification with the Social Media brand increases the likelihood of making a purchase online. This relationship is mediated by the consumers’ evaluation of the channels.

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EXTENDED ABSTRACT

The influence of social media (SM) on any consumer’s behavior has been broadly discussed in the past decade. From the consumer’s perspective, SM have multiple purposes, such as enhancing social relationships and exchanging information with other consumers. Initial research in the domain of marketing has grasped the influence on the purchase process. Consumers exchange information and support each other in online communities, they discuss their recent experiences with a product in online forums or write recommendations on product review websites about how they perceive a specific product or a brand in general (Henning-Thurau et al. 2010). By means of these interactions, consumers have truly become more powerful as they nowadays can directly influence other consumers’ decisions throughout the purchase process (Bernoff and Li 2008).

The bad news for companies is that their influence has been steadily decreasing as a result of this shift toward consumer-to-consumer interactions. Several attempts to manage SM (e.g., Kietzmann et al. 2010) were made, nonetheless, SM cannot be directly influenced by companies (Hoffman and Fodor 2010). If, at all, the companies’ influence is reduced to indirectly engineering consumers’ interactions in SM by, for instance, providing links to their SM identities (Naylor, Lamberton, and West 2012).

One dominant concern in channel literature is the efficient guidance of consumers toward interaction channels that are beneficial for companies. For instance, companies may provide more accurate information via online channels and consumer may determine the specific aspect that they wish to collect more information about. However, there is a lack on knowledge about how SM may fulfill such a task.

Bringing both research areas together – research on SM and on traditional online and offline channels – provides a fruitful area of research since we still lack is whether and how the presence of SM influences the purchase process, and in particular, how SM influence the consumers’ selection of the purchase channel. In particular, we observe the behavioral consequences of using SM throughout the purchase process (the consumers’ selection of the purchase channel) as well as the underlying mental process (how perceptions shape these). Drawing on social identity theory, we identify customer-brand identification (CBI) with the SM channel as crucial construct in this process.

The optimal search strategy for the consumer is a weighing up between cost of search and perceived benefit (Moorthy, Ratchford, and Talukdar 1997). Searching in SM channels helps consumers to build up and confirm their own opinions. SM is perceived by consumers as a more trustworthy source of information than other channels (Foux 2006). Whilst this decision process SM users are influenced by other users (Wilcox and Stephen 2013). SM brand supporters can influence a consumer’s brand evaluations and purchase intentions (Naylor, Lamberton, and West 2012; Kim and Ko 2012). But to understand human decisions it is necessary to analyze cognitive and affective aspects. In combination with the evaluation of a SM brand the customer-brand identification (CBI) will help to identify the customer’s decision process of using the SM channel and the effects on the purchase channel because it contains of a cognitive and an affective part (Bagoszi and Dholakia 2006). This relationship is also influenced by other factors. Consumers also evaluate the simplicity of online purchase, their benefit of buying online and their felt risk to buy their product online. In terms of the purchase channel, we differentiate between the most prominent possibilities – online and offline channels.

In summary, we make two hypotheses to grasp the influence of the consumers’ identification with the social media brand on the selection of the purchase channel:

Hypothesis 1: The higher the (a) cognitive and (b) affective customer-brand identification (CBI) with the SM channel, the higher the probability of making a purchase online.

Hypothesis 2: This relationship is mediated by the relative (a) perceived usefulness, (b) perceived ease of use and the (c) perceived risk of making a purchase online.

We collected 2,260 valid responses by an online questionnaire. Moreover, participants had to have used at least one social media channel to research the product or service to be admitted to the survey. In our sample, 50.4% of the participants are male whereas the female proportion was 49.6%. The respondents have an average age of 39.6.

To investigate our research question, we asked consumers for the cognitive and affective identification with the SM brand that were used for acquiring information. For both, we used constructs yet used by literature (Zinkhan and Martin 1983; Lam et al. 2010). Similarly, the channel perceptions, which serve as mediators, directly stem from previous literature (Cox and Cox 2002; Verhoef et al. 2007). Same is valid for the covariate internet usage (Mathwick and Rigdon 2004). The confirmatory factor analysis indicated no problems with regards to convergent and discriminant validity.

For our focal research question, we used mediation analyses. The confidence intervals and p-values were bootstrapped (Nboot = 10,000).

For both constructs (affective and cognitive CBI), the direct effect was insignificant. The indirect effects via the three suggested mediators were all significant, indicating a full mediation of the perceptions of the purchase channel (mediation path via the relative perceived usefulness: p < .001; mediation path via the relative perceived ease of use: p < .001; mediation path via the relative perceived risk: p < .05).

Our results indicate that SM usage actually influences consumer selection of the purchase channel (beyond what online behavior explains), which in turn alters behavior. A high level of identification with a SM brand increases the probability of making a purchase online. Shedding further light on the mental processes that underlie this effect, we find that this relationship is mediated by the consumers’ perceptions of the channels. Therefore, we enhance current research, which has predominantly focused on SM as a marketing tool (Mangold and Faulds 2009) or its influence on consumers’ purchase intention (Kim and Ko 2012). Second, drawing on social identity theory, we suggest that the cognitive and affective facet of SM determine whether consumers perceive to be “in-group” or not. Conceptually, this supports the theory that we suggested: social identity theory.
The results of our studies also have large implications for managers. First, SM might save money in terms of guiding consumers to (cheaper) online channels. Second, having a high identification with a SM brand, the likelihood of making an online purchase is increased. Thus, marketing managers may find additional value in communicating their brand via social media since consumers then chose the more cost-effective online channels.

REFERENCES


