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Social Media, a New Revolution in the Field of Marketing: The Effect of Information Sharing, Peer Pressure, Entertainment and Emotional Connection on the Attitude towards the Brand and in Turn the Purchase Intention From the Brand

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SOCIAL MEDIA, A NEW REVOLUTION IN THE FIELD OF MARKETING: THE
EFFECT OF INFORMATION SHARING, PEER PRESSURE, ENTERTAINMENT
AND EMOTIONAL CONNECTION ON THE ATTITUDE TOWARDS THE BRAND
AND IN TURN THE PRUCHASE INTENTIONS FROM THE BRAND

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ABSTRACT

Social Media has today become one of the fastest and strongest networking and communication tools. Companies realizing the importance of this new marketing revolution have also ventured into the world of social media. Thus, the purpose of this study is to examine the effect of social media marketing on user's attitude towards the brand present on social media and their purchase intentions from the brand. The relevance of this study will provide great insights to retailers with regard to using multiple social media sites and their features to successfully market their products, retain and grow their customer base.

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CHAPTER 1

INTRODUCTION

Internet has been a medium for communication, information sharing and entertainment since the 1990s. The migration to Web 2.0 has enabled instant communications. Through applications such as Facebook, Twitter and other social networking sites (SNS), users can create, publish and share content, data and information. Social media is a virtual landscape that facilitates quick and easy transmission of content in the form of words, pictures, videos, and audios. It allows users to form groups or communities, share common interests or goals, exchange opinions or suggestions and form relationships with other users on that platform. Social media growth trajectory has reached approx. 1 Billion and continues to project an upward trend (Leplan, 2010). Though the primary goal of social media is to facilitate networking among the users, it has found its use in marketing. Social media marketing appears to have changed the way people discover, read and share news, information and content (Solis, 2007).

Diane Hessan, President and CEO of Communisplace said,

"*Customers are demanding to be more engaged with the companies that affect their lives. Booming trends like blogging, online communities, flash mobbing, buzz agents, and MySpace show that customers have a lot to say – they want to be asked and they want to be involved. "*

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The structural and interactive features of social media encourages ongoing conversations between marketers and consumers for all three stages of the marketing process: prepurchase (i.e., information search), purchase (i.e., sales promotion), and postpurchase (i.e., customer services) (Kaplan and Haenlein, 2010).

Although previous studies researched the attitude of the users towards social media advertising (Taylor, Lewin, & Strutton, 2011), the effect of social media advertising on the user's attitude towards the brand is yet to be examined. It is crucial to study the user's attitude towards the brand to understand the user's purchase intentions. Lee & Ma (2011) evaluated the intention to share news over social media but how the news or information shared and exchanged affects the attitude is an important and unexplored path. Another study found that personification of brands using verbal and non-verbal cues helped build long term customer-brand relationships (Kwon & Sung, 2011). However, they did not examine how the attitude developed due to brand personification affects the user's purchase intentions. Moreover, his study is important to understand how the members of a group or peers in the social network shape the attitude of the other users thereby, influencing their purchase intentions. Since the attitude is expected to be a strong predictor of purchase intention, it is important for marketers to understand how to shape the attitude of the customers using social media that will provide an opportunity to the retailers to reach out to the mass market. Thus, the purpose of this study to examine the effects of information sharing, peer pressure, entertainment and emotional connection in a social media setting on the user's attitude toward a brand present in social media thereby influencing their purchase intention from the brand.

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Social media for companies

Social media is a new revolution in the field of marketing. Companies now subscribe to social networking sites and encourage interested parties to join their virtual or online groups in order to increase exposure and traffic, conduct market research, generate leads and potential business partners and improve sales. For example, Publix uploads downloadable coupons on a daily basis which would help the followers take advantage of various discounts and promotional offers. They also send out invitations to try out their new products or participate in various on-campus cooking events as an attempt to attract a lot of homemakers or those who enjoy cooking. Publix has a team dedicated to marketing over social media and has approximately 1 million likes and 79,000 talking. They continually respond to their customer's queries, issues or concerns or even general comments and product requests. Similarly, Nike has more than 10 million followers. With such a huge fan base, they had to create multiple online communities, each community dedicated to a different sport. Nike ensures that they inform all their followers about new products launched and latest technology and expertise used in enhancing the product quality. They invite followers to discuss different sports, celebrities and other prize winning events. Nike also encourages users to comment, give opinions and feedback on their stores, products and services. This acts as a strong tool to build relationships with their fan base. Many other companies and brands have increased their presence on social media. Social media would also be a potent tool for the start-ups and new entrepreneurs to introduce their products and brands to the mass market. Thus, social media has become an important source for marketers to predict customer's needs and wants; target mass market; advertise their products or services; resolve issues and

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grievances; obtain feedback and suggestions; build strong relationships; influence attitudes towards the brand and ultimately affect the purchase intentions.

The 2012 social media marketing industry report ranked the top 5 social networking sites based on the marketing features as follows:

1. Facebook: Social networking site known for its wall post and networking feature

2. Twitter – Micro-blogging site to post short messages not more than 140 words.

3. LinkedIn – Business networking site to send business invitations, tenders & quotations.

4. Blogs – Personal published journal that helps personify a brand.

5. Youtube – Content community to create and upload any video for the world to see.

This shows how different social networking sites can be used by marketers to market their products For example, Ikea can depend on YouTube to demonstrate how easy it is for the customers to put together their products (do-it-yourself products), while brands like Apple can tell apple stories to their fans through blogs. Moreover, it has been observed that 56% of the internet users in America feel a stronger connection with companies and feel better served by companies who use social media to interact with consumers (Cone, 2012). The more a customer interacts with a brand, the more likely it is to affect the user's attitude towards the brand (Francella, 2011). This may affect their thinking or liking towards the brand which may result in a developing a favorable attitude towards the brand or may even result in a purchase-related decision. The Economist Intelligence Unit (2007) interviewed 311 executives to understand how customers engage with a brand (see. table 1.1). "Sensing a variety of potential benefits, marketers also have

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ventured into the world of social media to use them for sales, customer service, promotions, and human resource tactics" (Kwon & Sung, 2010).

Table1.1: Consumer engagement with brands

Attributes that describe an engaged customer	Percentage of respondents
Recommends products/services to others	79
Frequently purchases products/services	64
Provides frequent feedback on product/services issues	61
Participates in product/service design	38
Is actively involved in online communities or user groups	11

Source: The Economist Intelligence Unit, 2007

Social media for users

Social media provides a platform for the users who seek to gratify their status and information seeking needs by sharing information (Lee & Ma, 2011); recommendations, suggestions and various product, brand or store experiences and in turn expect their peers or other users to reciprocate in the form of appreciation, or criticisms. Almost everybody today is digitally connected to their friends, families, acquaintances via the social media sites and online activities.

As has been rightly quoted by Safko & Brake (2009), "Technology has enabled everyone to function as citizen journalists or market mavens." By discussing products and services among their group members, users unintentionally start endorsing a brand. Users tend to trust such sources as the information is coming from a third party rather than the company or the marketer (Chi, 2011). Thus, relating personal experiences may influence the attitude of the other users or followers of the brands. Users join various facebook or virtual brand communities primarily for entertainment and socialization. Research has also supported that by making the search process easy, interactive and fun, companies can generate favorable attitude towards the brands. Moreover, companies offering updates, coupons and other benefits to the group members may motivate other users to join brand-related groups to take advantage of such promotional activities. Additionally, social media platforms like blogs or facebook allow marketers to personify their brands, enabling users to easily relate with the brands. By matching the characteristics, marketers can establish strong relationships and connection between the user and a brand on social media (Kwon and Sung, 2011). The emotional connection so formed can affect the attitude towards the brand on social media. Social media is an extension of word-of-mouth marketing i.e. when users discuss or inform others about their interactions with the brands on social media, they indirectly exert pressure on their peers to be a part of such virtual brand communities and avail similar benefits. By interacting, communicating and building relationships with the followers on social media on a regular basis, marketers can enhance the brand perceptions (Phan, 2011) and attitude towards the brand which may eventually affect the purchase intentions. Thus, social

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media provides ample opportunities to marketers or companies who can influence the

conversations that consumers have with one another.

CHAPTER 2

REVIEW OF LITERATURE

Theoretical Background

The conceptual framework for this study is based on three well-received theories in business, advertising, and psychology.

Uses and Gratification theory: Uses and gratification theory was developed to understand why people actively seek out specific media to satisfy specific needs (Herta Herzog, 1944). The theory has been used to explain behavior of audiences being engaged in various forms of media (i.e. listening to the radio or reading the newspaper). While the traditional media theory nominates that the media has an effect on people, the use and gratification theory focuses on what people do with the media, assuming active roles the audiences are taking in choosing and using the media (West and Turner, 2007). With the influx of Internet and mobile technologies, the use and gratifications theory serves as the most appropriate paradigm to measure consumer's need to use the new and modern tools to make more informed decisions. This theory postulates that an individual's social and psychological needs motivate them to select a particular type of media to achieve the goals. In other words, media users are motivated to expose themselves selectively to media based on their needs and gratification-seeking motives purposefully attempting to achieve those goals by using specific media channels and content (Taylor, Lewin, and

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Strutton, 2011). The theory includes 5 categories namely; cognitive needs (acquiring information, knowledge and understanding), affective needs (emotions, pleasure and feelings), personal integrity needs (credibility, stability and status), social integrity needs (familyand friends) and tension release needs (escape and diversion) that would affect the use and gratification of a media (Katz, Gurevitch and Haas, 1973). Previous researchers identified gratifications of using social and mobile media to achieve goals as follows:

- Shao (2009) - Information, entertainment and mood management
- Dunne, A., Lawlor, M., & Rowley, J. (2010) - Entertainment, information search, peer acceptance and relationship management
- Park, Kee, & Valenzuela (2009) - Information seeking, socializing, entertainment, and self-status seeking.
- Chiu, Hsu and Wang (2006) - Social interaction and socializing
- Kim, Jeong and Lee (2010) - Information seeking and socializing

Although the media dependency and usage may vary, the common denominators of the previous research regarding the user's use of the social networking sites are the following gratifications: information seeking, entertainment, and socializing/peer acceptance. This may explain how the gratifications obtained through social media can help consumers form a positive attitude toward a brand. The gratifications such as availability of information, entertainment, recommendations/discussions, through social media, etc. may affect the user's brand choice which is represented by their attitude toward a brand and in turn their purchase intention from the brand.

Stimulus-Organism-Response (SOR) Theory: The Stimulus-Organism-Response

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(SOR) theory suggests that environmental stimuli (S) sparks an emotional reaction (O) which in turn forces the consumer to respond (R) in a positive or a negative manner (Mehrabian and Russell, 1974). Donovan and Rossiter (1982) examined the linkage between organism (O) and response (R) obtained from a consumer and maintained that pleasure is the determinant of the response (approach or avoidance) generated. Previous studies confirmed that a high level of pleasure elicited by environmental stimuli in retail stores and on web sites enhances satisfaction (Eroglu, Machleit, & Davis, 2003), positively influences the brand choice (Eroglu, Machleit, & Davis, 2003; Hu & Jasper, 2006) in turn affecting purchase intention (Babin & Babin, 2001).

Based on the SOR theory, the stimulus (S) can be external to the person and consist of various elements of the physical environment such as availability of product/brand information, events or activities, polls, forums, an opportunity to interact with the brands on a social networking site etc., and the organism (O) can be to the internal processes intervening between stimuli external to the person and the final action or response such as formation of an attitude towards the brands. The response (R) can be the intention to buy from a brand present on social media as antecedents of approach/avoidance behavior. The SOR paradigm is used in this study to support the emotional connectivity between brands and users; affects their brand choice represented by their attitude towards the brand, thereby increasing their purchase intentions.

Theory of Reasoned Action: Theory of reasoned action examines the determinants of consciously intended behaviors. TRA assumes behavioral intention as a function of a) belief related attitude i.e. an individual's outlook towards performing a behavior and b)

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subjective norm, i.e. the social and environmental pressures to perform a behavior. This theory helps understand what (personal beliefs or social and environmental factors) motivates an individual to behave in a particular fashion. While attitude consists of an individual's belief about the consequences of having performed behavior, subjective norm explains how perceptions of the people around a person can influence his/her intention and behavior (Ajzen & Fishbein, 1980). Attitude is an individual's affective response towards performing some behavior based on his/her positive (approach) or negative (avoidance) valence of an event, object or situation. Subjective norm can be the social pressure an individual experiences while considering and making the purchase decision. Previous research found peer pressure being a strong influence on the student's online forum participation intention (Yang, Lee, Tan & Teo, 2007). Participating in various online events encourages interaction which in turn may lead to establishment of new social relationships. These interpersonal or social relationships exert social pressure which influences the user's brand choice represented by their attitude towards a brand which may in turn help determine their purchase intentions.

CHAPTER 3

CONCEPTUAL MODEL AND HYPOTHESES

The Social Media Marketing-Purchase Intention conceptual model developed for this study explains the effects of four external constructs (information sharing, peer pressure, entertainment and emotional connection in a social media setting) on the user's brand choice is represented by the user's attitude towards the brand which in turn the purchase intentions from that brand (see figure 3.1).

Hypotheses

Information Sharing:

Information sharing refers to the exchange of relevant news via social media in a timely fashion (Ko, Cho & Roberts, 2005; Luo, 2002). Social media allows users to create, share, and seek content and at the same time facilitates communication and collaboration among users and between brands and users (Kim, Jeong, & Lee, 2010; Lerman, 2007). Thus, social media users today have become active producers of information (Nov, Naaman, & Ye, 2010). Consumers today prefer to make an informed purchase decision by collecting as much information as they can get, evaluating various options available, conducting a cost-benefit analysis, etc. This makes it mandatory for marketers to be present on the social media. Moreover, social media can shape user's attitude towards the brand through mutual, two-way communication (Najmi, Atefi, & Mirbagheri, 2012).

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Conceptual Model
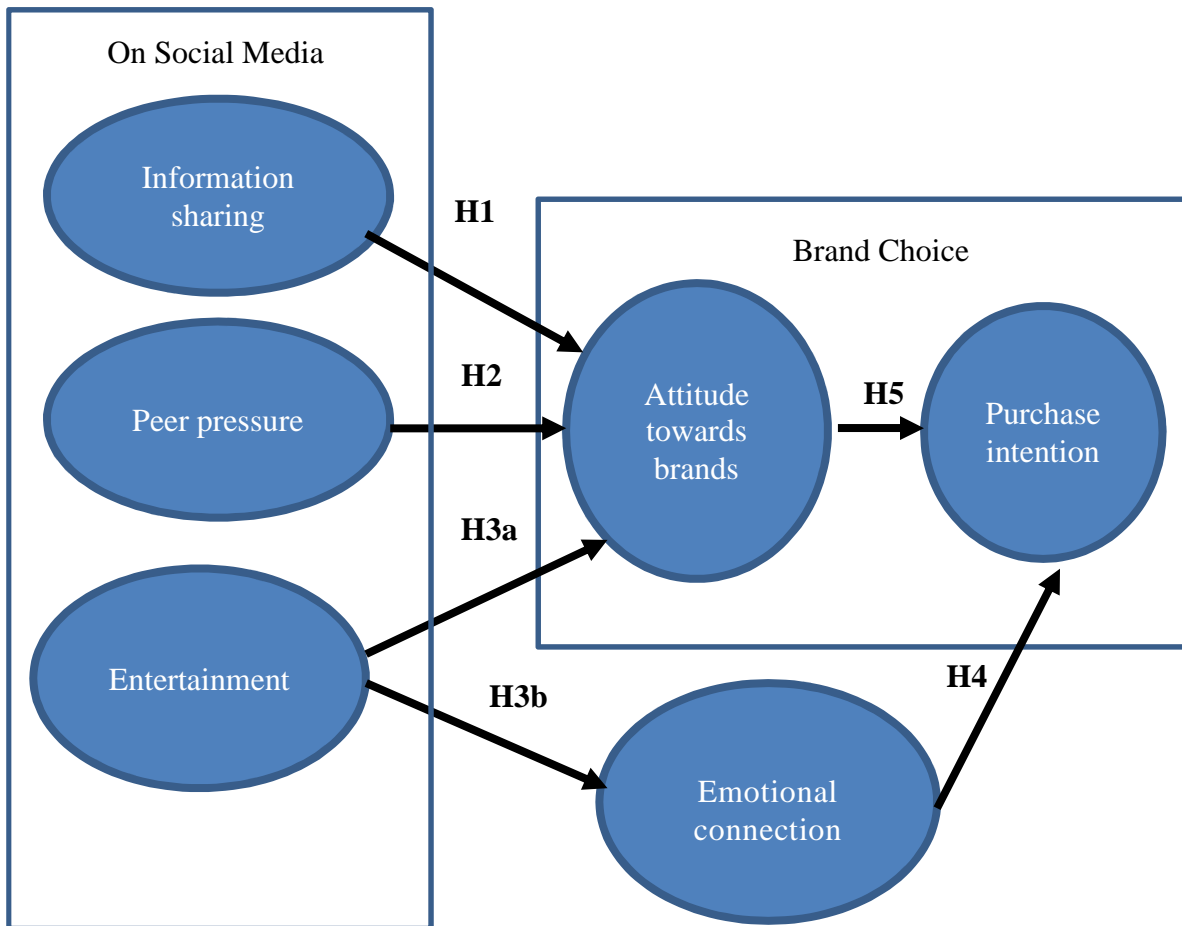
Figure 3.1: The Social Media Marketing – Purchase Intention Model

Users expect a dialogue with brands present on social media, in which the brand listens to what a customer thinks, needs and wants rather than just pushing the product to the customer (Brown, 2010). Consumers are joining various brand-related social media groups or communities for opinion expression and information exchange, thereby allowing the marketers to indirectly influence the user's attitude towards their brands. (Hair, Clark, & Shapiro, 2010). Studies have also supported that user's love to discuss their purchases and purchase experience on social media. Therefore, since the

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information is coming from a third party, there is a positive influence on the user's attitude towards the brand (Chu, 2011). When users exchange information among each other, they become the endorsers of the brand. Thus, marketers such as Target, Walmart, Apple, Publix, Nike, Victoria's Secret etc. actively participate on social media, encouraging transmission of messages within and among users and the brands, thereby shaping their attitude towards the brand (Chu, 2011). By being present on the social media, marketers can facilitate communication and interaction among users. Chi, 2011 have supported that social media users trust virtual brand communities and have a favorable attitude towards virtual brand communities. This kind of marketing and/or advertising will influence the attitude towards the brand and in turn affect user's purchase intention (MacKenzie, Lutz, & Belch, 1986).

H1: Information sharing on social media will positively influence the attitude towards the brand.

Peer Pressure:

Peer pressure can be defined as "group insistence and encouragement for an individual to be involved in a group activity in a particular way" (Santor, Messervey, & Kusumakar, 2000). In other words, it is the intentional or unintentional force that members of a group impose on the other members, thereby encouraging them to act or react in the similar fashion. Peer pressure is more common among youngsters who tend to associate with the same group of people over a long period of time. Zhu, Huberman, and Luon (2012) conducted an experiment to determine how social influence in online recommender systems impacts user's attitude towards the brand which would in turn

affects the final purchase intentions or decisions. The results of this study supported that user's opinions significantly sway other user's own choices or are likely to reverse their attitude towards the brand. When individuals choose to share information about products and services with their friends, they tend to activate their strong- tie relationships (Frenzen and Nakamoto 1993, Aral & walker 2011). Strong ties between group members would indicate greater dependency on the other members for opinions and suggestions. Narayan, Rao, Saunders (2011) mentioned that User's attitude towards the brand is shaped not just by the attributes of the products but also the preferences of other consumers, such as peers. This may in turn influence their purchase intentions. Netzer, Toubia, Bradlow, Dahan, Eveginou, Feinberg, Feit, Hui, Johnson, Liechty, Orlin, & Rao (2008) has supported that customer's attribute preference and attitude towards the brand maybe influenced by the peers or the social group. According to Aral & walker (2011), the tendency to accept the information from a known trusted source is more and the tendency to respond is back is also greater due to the reciprocal relationship that the group members share. When an individual notices their group members or family and friends engage with a particular brand, they tend to get curious about the company and the brand and this in turn may encourage them to associate with the similar brands developing an attitude towards the brand. In a social media setting, consumers tend to join different social groups. These social group members have common interest or likes and prefer to take opinions, references and suggestions molding the attitudes of other users towards the brand that may subsequently influence the purchase intentions.

H2: Peer pressure through social media will positively influence the attitude towards the brand.

Entertainment:

Social networking sites have over the years gained importance due to its entertainment quotient. Entertainment is a way of reducing or escaping pressure (Lee, & Ma, 2012). According to Hair, Clark, & Shapiro (2010), users are heavily dependent on the virtual brand communities to express their opinions and information exchange, thereby influencing the attitude of the group members towards the brand. Previous studies have supported that offering entertainment over social media evokes positives emotions which influences the attitude towards the brand. According to McQuail, 2005, the entertainment gratifications obtained through social media can be measured by its ability to satisfy the user's needs of escapism, enjoyment and anxiety relief. Frequenting social networking sites have become a part of everyday life. Posting, commenting, discussing, uploading photos/videos, etc. offer some kind of entertainment and relaxation to the users (Hair, Clark, & Shapiro, 2010). Marketers are now using social media to attract, entertain and to build long term relationships with users which would in turn shape their attitude towards the brand. Novak, Hoffman & Yung (2000), in their study supported that by making online search process fun and interactive; marketers can attract customers, mitigate price sensitivity, and influence the attitude towards the brand. Dawson, Bloch, and Ridgway (1990) and Pine & Gilmore (1999) have supported that delivering experiences that are pleasurable, memorable, relevant and valued will linger in the memory and influence the user's attitudes and future purchase intentions. Once a user develops a positive attitude towards the brand, they tend to favor and purchase those brands over other brands. Hence, the following hypothesis can be developed:

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H3a: Entertainment offered in a social media setting will positively influence the attitude towards the brand.

It has also been supported that marketers now weave marketing content with entertainment content in order to develop strong emotional connection between the brands and the users (Hudson & Hudson, 2006). Moreover, when a user has positive emotions (happy, excited, or satisfied), they tend to pass on the information to other group members affecting their purchase intentions (Dobele, Lindgreen, & Beverland, 2007). Offering entertainment over social media pleases a user and may result in developing strong liking or emotion towards the brand. For example, Nike conducts various events such as discussing a product, game, sport personality or getting customer feedback which grabs the attention of not only the loyal Nike customers but also that of potential customers. This is Nike's strategy to develop an emotional connection with their customers. Furthermore, marketers use celebrities to endorse their brand which in turn helps build an emotional connection between the brands and the users. For example, when Michael Jordan endorses Nike, all Michael Jordan fans would be tempted to support or patronize that brand. Similarly, by organizing virtual group activities such as discussing sports or celebrity too may help evoke that emotional bond between users and brand. Hence, an entertainment offered through social media may help develop an emotional connection with the brand.

H3b: Entertainment offered in a social media setting will positively influence emotional connection between the brands on social media and users.

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Emotional connection

        Emotional connection is defined as an informal amity among a group of people (Chen, 2010) with common interests and goals. It is a dimension that helps us understand the customer's response or behavior. Kwon & Sung (2011) recommended that by being present on the social media, marketers can motivate people's tendency to anthropomorphize brands. Characterizing brands on social media will attract users of similar characteristics, thereby, influencing the purchase intentions from the brand (Kwon & Sung, 2011). Moreover, giving brands a human face creates an emotional connection between the brand and the user influencing their desire to purchase a brand. Murray (1953), Maslow (1987) and Chen (2010) in their studies have supported that people today depend on social networking sites to gratify their desire of belongingness and being important to each other. Through social media users can form virtual brand groups to share common interest, goals, discuss issues and opinions; groups can be secret i.e. only the members have access to the group and they can decide if they want to be a closed or an open group; the members get to approve or disapprove new members; and marketers or group members can send mass or personalized messages to other members (Chu, 2011). The value subsequently obtained helps create an emotional connection which strengthens relationships and influences user's purchase intentions from the brand (Deighton & Grayson, 1995). The more frequently a brand interacts with the users, more likely is the user to purchase from that brand (Homans, 1950). Hence, the following hypothesis was developed:

H4: Establishment of emotional connection in a social media setting will positively influence the user's purchase intentions from the brand.

Attitude towards brands and purchase intention:

Attitude towards a brand can be defined as audience's positive (good, favorable or happy) and negative (bad, unfavorable or unhappy) reactions to the advertised brands (Najmi, Atefi, & Mirbagheri, 2012). In other words, attitude towards brands is formed based on past experiences and the influence exerted by outsiders (such as friends, family, peers, or other group members) forcing an individual to form a favorable/non-favorable attitude towards the brand (Ranjbarian, Fathi, & Lari, 2011). Once the users join a brand-related group on the social media sites, their attitude towards the brand and their purchase intentions can be influenced by the information they mobilize from the other group members (Chu, 2011). As mentioned earlier, information on social media is either coming from or is backed by a third party, acting as the endorser of the brand. Thus, the information is considered to be credible and trustworthy. Yoon, Kim, & Kim (1998) supported that when the communication is coming from a trustworthy source, the message sent will positively influence the attitude towards the brand in turn influencing the purchase intentions. Moreover, since the information is coming from co-user, it reduces the avoidance behavior and inculcates a feeling that the information may be true and helpful for the current and future purchase intentions (Rojas-Mendez, Davies, & Madran, 2009). Social media offer a platform for the users to discuss, share and seek information of interest with members of their groups which helps shape their attitude towards the brands. Thus, these conversations not only shape the attitudes but also impact their confidence in evaluating the brand consequently influencing their purchase intentions (Ranjbarian, Fathi, & Lari, 2011).

Purchase intention can be defined as an individual's predisposition to purchase a product or service (Belch, & Belch, 2004). Phelps & Hoy (1996) have supported that purchase intention indicates the likelihood of an individual to purchase a brand. Many studies have supported that a positive attitude towards brand positively influences the purchase decisions. Social media platforms allow brands/marketers to present their product and service in such a way that users tend build a positive perception and attitude towards the brand.

H5: Attitude towards brands on social media will positively influence the purchase intention.

CHAPTER 4
METHOD

A quantitative research method was adopted to gauge the effect of information seeking and peer pressure on attitude towards brand and entertainment on both emotional connection and attitude towards brand and in turn their influence on the user's purchase intentions from that brand.

Data Collection and Sample characteristics

The current study used a convenience sample consisting of students pursuing a retailing degree from a large Southern University in the United States. College students are considered to be an apt sample for this study since they are the heavy users of social media. Survey invitations containing the link to the survey were sent out to the potential respondents via email. Participants were asked questions about their social media usage.

Table 4.1: **Social Media Usage on a daily basis**

Social Networking Sites	Usage (%)
Facebook	91
Twitter	70
YouTube	35
LinkedIn & Blogs	10-15

Of 271 valid responses, 21% were males and 79% were females. 137 students fell into the 18-20, 114 in the 21-23, 11 in 24-26 and 8 in the 30 and above age brackets Approximately 67 students (25%) claimed that they visit these networking more than 10 times a day with only 42 students (15%) visit only once or twice a day. More than 54 students (20%) opted for the 3-4 times option, 50 students (18%) 5-6 times, 37 students (14%) 7-8 times and 21 students (8%) 9-10 times. Conversely, the number of hours spent on the social networking sites in a day appears less. 84 students (31%) claimed that they spent an hour or less of the social networking platforms and whopping 133 students (49%) were available on social networking sites for more than 2-3hours a day. Only 30 students (11%), 12 students (4%), 8 students (3%) and 4 students (1%) spent 4-5 hours, 6-7 hours, 8-9 hours and 10 or more hours respectively on different social networking sites (see Appendix # Frequency of Social Media Usage in appendix).

Survey Development

The items for the survey were borrowed from previous studies and modified to suit the current study. Six items were borrowed from Lee etal, Chu and Smock et al (2011) and modified to fit the information sharing over social media construct. Six entertainment related items were borrowed from Chu (2011) and were modified to suit the current study. Four items measuring emotional connection were borrowed from Par et al (2010) and were tweaked to better fit the current study. Peer pressure constructs were borrowed from multiple studies including Smock et al (2011), Himberg (1996) and Peslak (2011) and were modified to fit the context of this study. Again four items were borrowed and modified from Holbrook & Batra (1987) to measure user's attitude towards

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the brands on social media. Four items were borrowed from Jin et al and Chi (2011) and were modified to measure the purchase intention construct. A few demographic and other general questions were also included to better understand the sample size as well as to understand what social media marketing features do users enjoy, relate or respond to the most.

CHAPTER 5

Data Analysis

The IBM SPSS software (George & Mallery, 2003) was used to compute statistical analysis for the current study. Of 275 responses, 271 were fully completed usable responses and the 4 other unusable responses were deleted.

Reliability and validity

To ensure internal consistency of the items in a variable, a reliability test was conducted (see table 5.1). Reliability indicates the stability of a measure in a given context. The statistics of Cronbach alpha and item-to-total correlations were undertaken to assess the internal consistency of the instrument (Leo, Bennett, & Härtel, 2005; Nunnally & Bernstein, 1994). Reliability tests were conducted on all items and all items were above the threshold of .7 (Cortina; Kline, 1993).

Pearson Correlation Coefficients

Pearson Correlation was conducted to check the construct correlation and discriminant validity. Constructs were reasonably correlated with all coefficients being below 0.85 (Campbell and Fiske, 1959), a threshold of multicollinearity, confirming discriminant validity among the five constructs (see table 5.2).

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Table 5.1: **Reliability Statistics**

Constructs	Cronbach's Alpha	N of items	*>.7
Information Seeking	0.890	6	Yes
Peer Pressure	0.879	9	Yes
Entertainment	0.842	6	Yes
Emotional Connection	0.832	4	Yes
Attitude towards brands	0.924	4	Yes
Purchase Intentions	0.833	4	Yes

Table 5.2: **Correlation Coefficients**

		Information Sharing	Attitude towards brands	Entertainment	Peer Pressure	Emotional Connection	Purchase Intention
Information Sharing	Pearson Correlation	1	0.483	0.640	0.336	0.495	0.472
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000
	N	267	267	267	267	267	267

Attitude towards brands	Pearson Correlation	0.483	1	0.564	0.386	0.495	0.515
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000
	N	267	267	267	267	267	267
Entertain-ment	Pearson Correlation	0.640	0.564	1	0.398	0.557	0.54
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000
	N	267	267	267	267	267	267
Peer Pressure	Pearson Correlation	0.336	0.386	0.398	1	0.474	0.535
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000
	N	267	267	267	267	267	267
Emotional Connection	Pearson Correlation	0.495	0.495	0.557	0.474	1	0.498
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000

	N	267	267	267	267	267	267
Purchase Intention	Pearson Correlation	0.472	0.515	0.540	0.535	0.498	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	267	267	267	267	267	267
Correlation is significant at the 0.01 level (2-tailed)							

Hypotheses testing

Four sets of multiple regression analyses were conducted for hypothesis testing. The regression results were as shown in the table 5.3

The effect of *Information sharing* (H1), *peer pressure* (H2) *and entertainment* (H3) *on the attitude towards the brand* was statistically significant at (= 0.183, =.005), (=0.377, =.001) and (= 0.175, <.001) respectively. This is consistent with the previous research, confirming user's choice of media id influenced by their information seeking, entertainment and status needs (Tan, 198). Marketing via social media may offer content that have specific relevance or may offer entertainment for users (Chi, 2011) and may result in the establishment of an emotional connection with the brand. The result from hypotheses 4 testing was consistent with this, strongly supporting the positive effect of, *Entertainment on social media on the emotional connection with a brand* (= 0.557, <.001). Hypotheses 6, emotional connection with a brand on social media will positively influence the purchase intentions from the brand was also reasonably significant at (=

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0.498, <.001). McMillan (1996) suggested that an offline community offers 'a setting where we can be ourselves and see ourselves mirrored in the eyes and response of others. In other words, sense of belonging and feeling of membership is based on reciprocal relations (Chen, 2010). Thus, the more frequently brands interact with the users/fans/followers, the stronger will be the emotional connection which will affect the

Table 5.3: **Hypotheses Testing and Regression**

Hypothesis	IV	DV	Beta	P-Value	Supported
H1	Information seeking	Attitude towards brand	.183	.005	Yes
H2	Peer Pressure	Attitude towards brand	.377	.001	Yes
H3a	Entertainment	Attitude towards brand	.175	.000	Yes
H3b	Entertainment	Emotional Connection	.557	.000	Yes
H4	Emotional Connection	Purchase Intention	.498	.000	Yes
H5	Attitude towards brand	Purchase Intention	.515	.000	Yes
*Significant at 0.01 level					

user's purchase intentions from the brand. MaKenzie, Lutz & Belch (1986) in their study supported that the marketing patterns can influence the attitude of the users towards the brands which in turn affects the purchase intentions from the brand. Thus, supporting H5, *attitude towards brand had positive influence on the purchase intentions from the brand* ($\beta = 0.515$, $p < .001$).

The survey also included questions regarding the participation of users in various brand-related events on social media and following observations were made (see table 5.4). From table 5.4, we observe that the brand-related activities taking on social media can be associated with the external stimuli used in this study which affects the user's attitude towards the brand, in-turn affecting their purchase intentions from the brand.

Yet another question aimed at identifying products discussed or recommended on social media and the user's intention to purchase those brands was included in the questionnaire (see table 5.5)

Table 5.4: **Customer-brand engagement**

Brand-related activities on social media that users enjoy		Association with External Stimuli in a social media setting
Activities	**%**	
Discussing my issues and concerns	16%	Emotional connection
Download discounts and coupons	73%	Emotional connection, peer pressure
Invites for various in-store activities	43%	Product information, entertainment, emotional connection
Celebrity talks on brand-related	38%	Entertainment

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pages		
New product launches	72%	Product information
Events organized by brands	51%	Product information, entertainment

From table 5.5, we can see that from among the various product categories discussed on social media, apparels, shoes and phone are the top three categories. Also, there is a greater likelihood of influencing the purchase decisions since the information is coming from a third party and hence, devoid of bias. Loyal customers act as endorsers of the brand and spread a good word about their favorite brands. Moreover, these users or followers have a good knowledge about the product and the brand and can help the other users make a purchase decision.

Table 5.5: **Products discussed and recommended of social media**

PRODUCT CATEGORY	Recommended or discussed on social media that you are likely to purchase (# of respondents)	Recommended or discussed on social media that you have purchased (# of respondents)
Phones	70	60
Computers	37	27
Apparels	235	216
Shoes	192	135
Sports equipment	40	23
Cars	20	13

CHAPTER 6

DISCUSSION

Social media offers various tools or avenue that marketers can use to fulfill their marketing needs on one hand and also meet the user's social and psychological needs. It is a platform that allows users and brands to connect and interact with each other. It has become imperative for marketers to continually offer brand updates and entertain their customers and interact and build strong customer-brand relationships.

Easy access to computers and Internet as well as availability of free mobile applications has resulted in increased usage of social media sites. As observed earlier, while the number of times users log on to various social networking sites have been increasing, the amount of time spent per visit is less (see Appendix figure 2). The possible explanation to multiple login or increasing usage on a daily basis could be:

- Quick check on updates

- Quick check on what friends are up to

- Post a message

- Respond to a message etc.

A marketer should post or update their brand pages at regular intervals in order to increase traffic. Additionally, if a user is following a brand, they would get instant messages or updates. These updates would then start a chain of conversation, motivating

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the users to check out the brand related pages every time they log on to such social networks. Easy access to social networking sites using smart phones may be yet another reason why students visit the networking sites at regular intervals. Students, who claim to be online for more than 10 hours, might actually be online via mobile applications but may not be active. However, they are still receiving messages and may check them when time permits.

Users like to express their thoughts, opinions, issues and concerns on current events, brands, products etc. and social media provides that platform where they can do so and also expect immediate and continuous response from other users. More than 55% of the respondents supported that they get the latest brand news on social media and close to 40% students supported that they share and re-post information on social media sites. Additionally, 33-42% of the respondents were reported to have recommended brands to others via social media platforms. Almost 50% of respondents claimed that they get useful information regarding brands on social media. This has huge implications for companies or the retailers that depend on social media users as third party endorsers of the brand.

Entertainment is prime reason why people use social media. They can chat, communicate, form groups, conduct polls, upload videos, music or pictures and use various other features for entertainment. Brands or retailers that organize or conduct various marketing and promotional events on social media can attract much more customers worldwide than that of traditional media. 52% of the respondents supported brand presence on social media is entertaining. Approximately 49% of the respondents find interacting with brands of social media fun, 43% find it to be a pleasant rest, 36%

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feel it helps them unwind and close to 47% find this interactivity enjoyable. Nike and Fanta are some of the companies that rely on social media to entertain, interact and build strong relationships with their users.

Additionally, this study supported that there is strong connection between entertainment offered by brands on social media and emotional connection with a brand. By being available on such friendly or fashionable platforms and by using various formal and informal cues, marketers can help build emotional connection between the users and the brand. Marketers need to maintain their product identity on social media which would help the users relate with the brand. Approximately, 42% of the respondents feel that following a brand on social media helps them portray what kind of person he/she is. However, more than 37% of the respondents neither agreed nor disagreed when asked "I feel emotionally bonded to a brand on social media". Close to 43% claimed that following a brand says something to other people about who they are. Users tend to follow their brands on different platforms and can thus; become the potential endorsers of the brand. They loyalty towards the brand is projected through their comments, opinions and suggestions.

It was observed that users do not blindly follow a brand or company that their friends tend to 'like'; however, they are likely to join a brand-related group if their friends or family recommend them to do so. Conversely, 55% of the respondents claimed that they would follow a brand on social media if their friends 'recommended' them to do so. It was also observed that students tend to try brands 'recommended' by peers that have a strong influence on them and 38% reported that they would recommend a brand to important people on social media.

Thus, marketers need to request their existing customers to inform them friends or peers about their brands and the benefits of being in touch with the brands via social media. Social media platforms offer various tools to facilitate easy networking and communication with the current and potential customers. Creating a brand-related page or forming a brand-related group may be some of the tools that may be used to form strong ties with the users. Approximately 40-45% of the students supported that brand presence on social media affects the user's attitude towards the brand. This would imply that, marketers can use social media to shape the user's attitude towards the brand which may in turn affect their purchase intentions from the brand.

- Approximately 48% of the respondents claimed that they would buy brand recommended or discussed on social media

- Close to 67% of the respondents claimed that they would consider buying products recommended or discussed on social media

- However, more than 35% neither agreed nor disagreed to buy a product from a brand present on social media.

This indicates that being present on social media may help a brand build strong customer-brand relationships or inform and update a customer on the brands, however, just a presence on social media is not a motivating factor to purchase products from that brand. The marketers need to use their followers or fans as endorsers to shape the attitude of the other users on the network.

CHAPTER 7

IMPLICATIONS, LIMITATIONS AND DIRECTION FOR FUTURE RESEARCH

As mentioned earlier in the study, sensing the importance and benefits, many marketers are ventured into the world of social media to use them for marketing, customer service and promotional purposes (Kwon & Sung, 2011). The current study offers practical implications to the retailers.

While corporate sites can be used for marketing and sales activities, social media sites are a platform purely for marketing, brand awareness and relationship building tool. Retailers can reach out to their target markets using a mix of social media sites and also a number of features available on social media. For example, companies like Ikea uses an assortment of social media sites i.e. uses Facebook and Twitter to upload pictures and interact with their customers while massively relying on YouTube for its Do-It-Yourself segment.

By being present on social media they can have a dedicated staff to interact and assist the customers, provide latest news or updates, advertise their products and services at a very low cost. Additionally, the marketers can launch their products on social media and can ask for consumer comments and feedback on their products and services. This would make the customer feel important and would deepen their loyalty towards the brand. Moreover, by doing so the company can retain their existing customers at the same

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time attract new or potential customers. As the current study supports, users may feel pressure from their peers or might want to enjoy the same benefits as their peers and this may motivate them to follow a particular brand or retailer.

Lastly, social media is a low cost mass-marketing tool. The marketers needs to ensure that they a) have a presence and social media, b) devise effective online marketing strategies and c) employ dedicated social media staff to continually interact, entertain and engage the users.

However, there are a few limitations to the current study. Although college students are the prime users of social media, the subject for this study is limited to the college students in the south-eastern region. This may affect the generalizability of the findings. Future research can be conducted to study the effect of social media marketing for various product categories. Incorporating different brands targeting different age groups into the study subjects may enrich the findings. Social media sites offer various marketing tools and avenues which imply that a study can be conducted to examine the benefits of different tools. A comparison study showing the benefits of using different social media as marketing platforms would be interesting and may provide retailers with more detailed implications than the current findings.

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APPENDIX A

QUESTIONNAIRE

<u>**Information Sharing**</u>

1. I can get the latest news and events about a brand from social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

2. I tend share news stories on social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

3. I tend to share news stories contributed by other users on social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

4. I use social media to provide others with brand information.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

5. I get useful information from social media

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

6. I use social media to share information that may be of use or interest to

others.

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Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

Peer Pressure

7. I discuss brands on social media because everybody else is doing it.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

8. I tend to go with opinions of my friends.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

9. If my friend follows a brand on social media, I would do the same.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

10. If my friend asks me to follow a brand on social media, I would more likely

to do it.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

11. When it comes to social media, I tend to follow a brand recommended by

others (or friends?)

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

12. If my friend recommends brands on social media, I would also do the same.

Strongly Disagree   DisagreeNeither Agree nor Disagree   Agree   Strongly Agree

13. I am likely to discuss and recommend brands on social media if people important to me, think I should do so.

Strongly Disagree   DisagreeNeither Agree nor Disagree   Agree   Strongly Agree

14. People who I listen to could influence me to try a brand recommended on social media.

Strongly Disagree   DisagreeNeither Agree nor Disagree   Agree   Strongly Agree

15. It is important to me what my family and friends would approve/disapprove of my doing on social media.

Strongly Disagree   DisagreeNeither Agree nor Disagree   Agree   Strongly Agree

<u>Entertainment</u>

16. Brand presence on social media is entertaining.

Strongly Disagree   DisagreeNeither Agree nor Disagree   Agree   Strongly Agree

17. Interacting on social media is fun.

Strongly Disagree   DisagreeNeither Agree nor Disagree   Agree   Strongly Agree

18. Interacting with brands on social media is a pleasant rest.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly

Agree

19. Participating in activities conducted on social media allows me to unwind.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly

Agree

20. Using social media for brand-related activities is enjoyable.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly

Agree

21. I like to play around on social media.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly

Agree

<u>Emotional Connection</u>

22. I feel connected to a brand on social media when it helps portray what I am

like as a person.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly

Agree

 23. I feel emotionally bonded to a brand on social media.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly

Agree

24. A brand I follow on social media say something to other people about who I

am.

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Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly
Agree

25. My thoughts and feelings toward brands on social media come to my mind naturally and instantly.

Strongly Disagree   Disagree   Neither Agree nor Disagree   Agree   Strongly
Agree

<u>Attitude towards brands</u>

26. Please indicate the degree to which the brand in social media affected your feelings toward the brand:

Dislike more – like more

Strongly Dislike   Somewhat Dislike   Neutral   Somewhat Like   Strongly Like

27. Please indicate the degree to which the brand in social media affected your feelings toward the brand:

More negative – more positive

Strongly Dislike   Somewhat Dislike   Neutral   Somewhat Like   Strongly Like

28. Please indicate the degree to which the brand in social media affected your feelings toward the brand:

More bad – more good

Strongly Dislike   Somewhat Dislike   Neutral   Somewhat Like   Strongly Like

29. Please indicate the degree to which the brand in social media affected your feelings toward the brand:

More unfavorable - more favorable

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Strongly Dislike Somewhat Dislike   Neutral   Somewhat Like

Strongly Like

Purchase Intention

30. I would buy a brand recommended or discussed on social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

31. I would consider buying products from brands recommended or discussed

on social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

32. I would expect to buy products from brands on social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

33. I would plan to buy a product from brands on social media.

Strongly Disagree   Disagree Neither Agree nor Disagree   Agree   Strongly

Agree

Demographic Questions

34. Please Specify the Gender

Male   Female

35. Please Specify your age

18-20	21-23	24-26	27-29	Over 30

51

36. Which of the following social media do you use daily?

Facebook

Twitter

YouTube

LinkedIn

Blogs

37. On an average how many times in a day do use social media?

1-2 times

3-4 times

5-6 times

7-8 times

9-10 times

More than 10 times a day

38. On an average how many hours in a day do you spend on social media?

1 hour or less

2-3 hours

4-5 hours

6-7 hours

8-9 hours

10 or more hours

39. Which of the following product categories would you like to discuss on social media?

Phones

Computers

Apparels

Shoes

Sports equipment

Cars

40. Which of the following categories of products recommended or discussed on social media are you likely to purchase?

Phones

Computers

Apparels

Shoes

Sports equipment

Cars

41. Have you purchased any of the following product(s) recommended or discussed on social media?

Phones

Computers

Apparels

Shoes

Sports equipment

Cars

42. I enjoy the following marketing tactics used by brands present on social media:

Events organized by brands

New product launches

Celebrity talks on brand-related pages

Invites for various in-store activities

Download discount vouchers and coupons

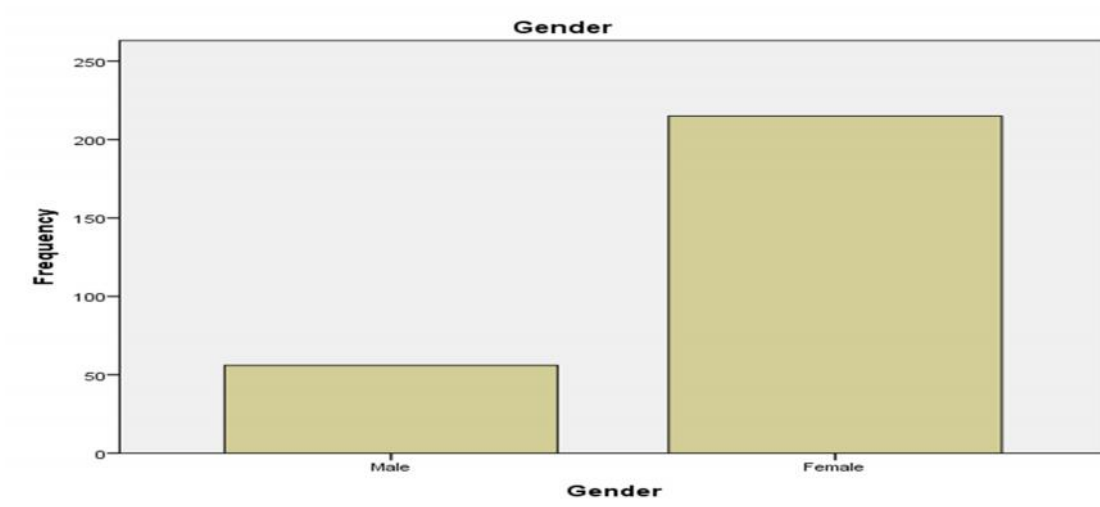Discussing my issues and concerns

APPENDIX B
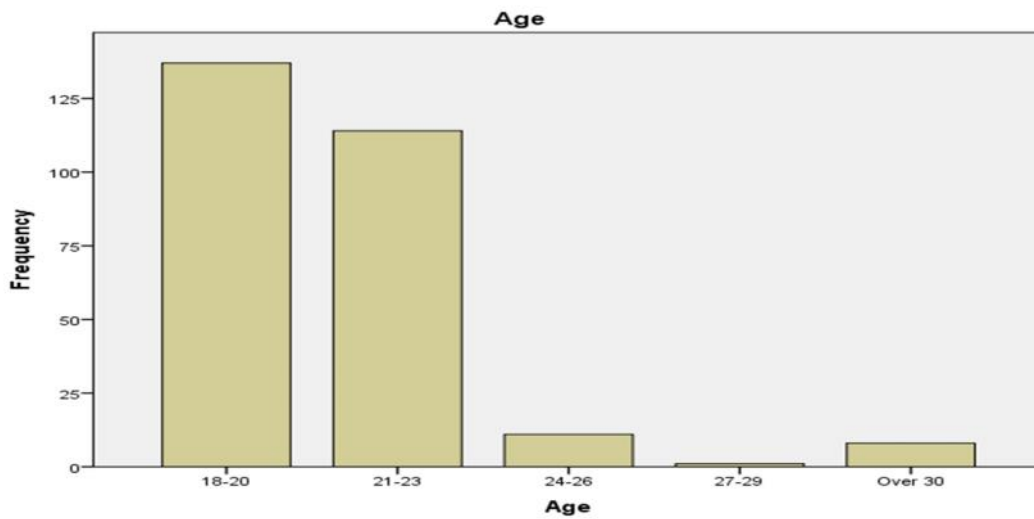
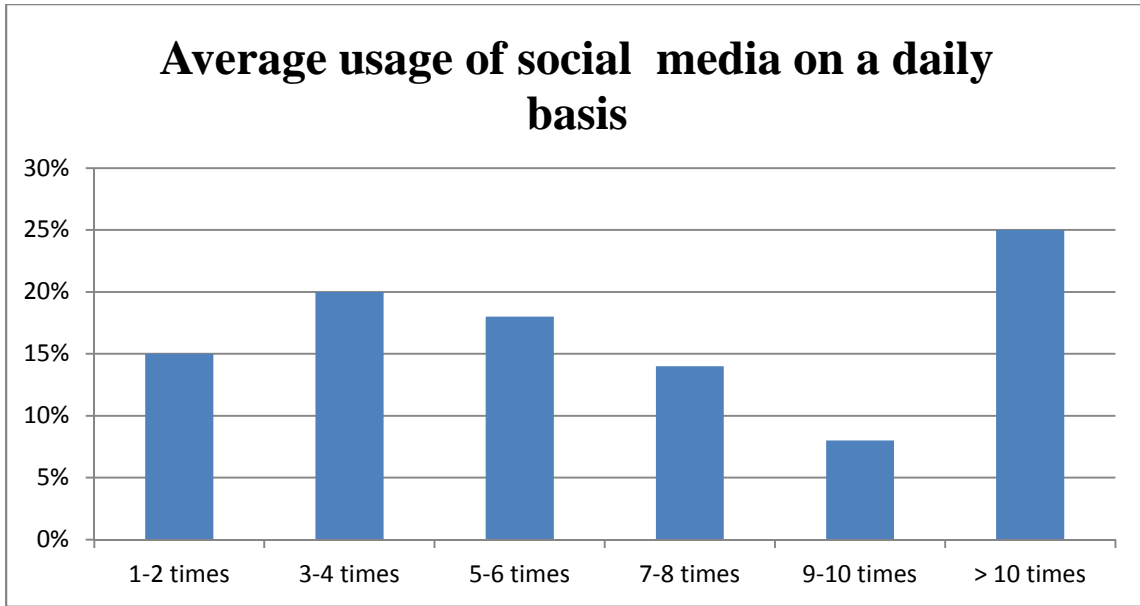## DESCRIPTIVE STATISTICS

Figure B.1: **Gender**
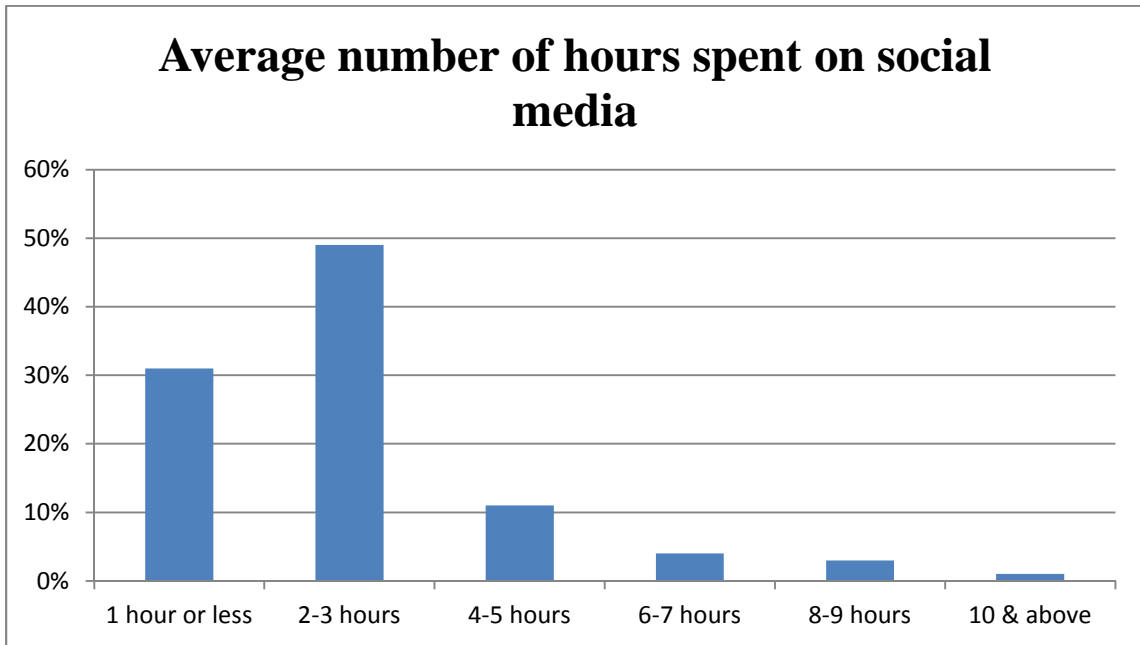

Figure B.2: **Age**

Figure B.3: **Number of log-in on a daily basis**

Figure B.4: **Number of hours spent per visit**