A Conceptual Framework of the Impact of Social Media Marketing on Consumer’s relationship

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Abstract: - From the social media marketing perspective, the rapid speed of change in the high-street fashion industry generated the need to create, adapt and integrate conversations that will allow bridging the gaps between the brand and consumers. This is done by communicating, engaging, entertaining and triggering response through social media content to ultimately stage and develop a customer experience that will ensure the development a long-term relationship and immersing the brand in the consumer’s lifestyle.

The main paper objective is to investigate how high-street fashion brands use social media in order to develop customer relationships and thus create personal relationships between the brands and consumers. Moreover, the study will provide answers in regards to the properties of high-street fashion brands’ social media marketing in regards to media platforms and how these affect customer relationship constructs such as intimacy and trust.

Keywords: - customer relationships, social media marketing, brand, properties

1 Introduction

Worldwide, brands are continuously assessing their resources and capabilities to adapt to the ever-changing needs of consumers, who are becoming more and more indifferent to traditional marketing, as they are comparing products or services offline as well as online in order to choose the right product or service which offers them the most utilitarian value.

In order to differentiate among competitors, brands need to break the mould to escape out of the vicious cycle of competitive benchmarking and imitation (Chan and Mauborgne 2003). Brands are dynamic forces that have to continuously reinvent and re-evaluate their value offerings in order to deliver the benefits the consumers truly desire.

This is where social media comes into the marketing mix. Social media has existed since the development of the World Wide Web in different forms such as newsgroups but only early adopters of technology adoption lifecycle used it (Ryan and Jones 2009) to allow the exchange of content (Kaplan and Haelein 2010). As the interfaces have been simplified, social media crossed the chasm to the mainstream markets.

Social media is defined as a group of application that allow the creation and exchange of User Generated Content (Kaplan and Haelein 2010). In other words, social media integrates technology and social interaction, allowing brands to connect with consumers on a more intimate level. Examples of social media platforms include: Facebook, Twitter, LinkedIn, Instagram, Google+ and Pinterest. On one hand, consumers can help, support and reshape giving a new dynamic and creative social identity to the brand as a community, which brings them together (Sterne 2010). On the other hand, there is
lack of control in terms of what is being communicated about the brand (Mangold and Faulds 2009). Thus, social media creates both an opportunity and a huge challenge.

The advantages of using social media include the fact that brands can create conversations that engage on a 1-1 basis, which add value for the consumer along the process on a functional, experiential and psychological level (Pine and Gilmore 2011). This distinctive approach actively enriches the consumer’s experience with the brand establishing an emotional connection and ultimately integrating the brand as part of their lifestyle (Pine and Gilmore 2011). The key role in building and developing relationships with consumers across different social media platforms is communication—engaging, entertaining and triggering responses from consumers.

2 Problem Formulation
Social media enables consumers to talk to the brand and to each other through a multitude of platforms (Woodcock, Green and Starkey 2011). Similar to any conversation, the content on social media platforms varies for each brand (Woodcock et al. 2011). The main focus of these platforms is to enhance the consumer experience, thus brand marketing on social media is becoming less and less about pushing messages out to consumers and more and more about being part of a dynamic conversation – listening and creating relevant content to earn their trust (Woodcock et al. 2011). Brands need to understand how consumers behave offline and online in order to engage with their target consumers and develop online brand experiences (Woodcock et al. 2011). As such, social media platforms provide with the rare opportunities for the brand to listen to consumers and respond. In addition, it allows the collection of in depth information about consumer preferences and lifestyles, enabling customised content to ultimately embed the brand in cultural conversation (Fournier and Avery 2011). If the content engages the consumer, the consumer may do nothing, buy the product directly or interact in another way (Woodcock et al. 2011).

Thus, social media offers the prospect of consumer engagement but it also presents a progress to traditional Customer Relationship Management (CRM). This is due to social media providing with an increased understanding of the consumer that traditional CRM channels cannot provide. Using a combination of CRM and social media has given birth to the new term of Social Customer Relationship Management (SCRM). However, Baird and Parasnins (2011) state that using social as a channel for customer engagement poses interesting challenges for traditional CRM, as customer are in control of these relationships, driving the conversation and shaping the brand. As social media allows the customer to be the centre of attention, the brand will provide with the atmosphere where the discussion should take place (Huba 2013). SCRM is a term coined by Greenberg (2010) and is defined as such: “SCRM is the business strategy of engaging customers through social media with the goals of building trust and brand loyalty”. In other words, the brand on social media has to focus on facilitating collaborative experience and dialogue that customer value (Baird and Parasnins 2011). The advantages of using a SCRM programme include creating and cultivating customer advocates for the brand whereas not implementing such a programme will lead to customer churn (Greenberg 2010).

Thus, this research paper will focus on providing an improvement from a SCRM point of view as the social media marketing properties of the chosen high-street fashion brands for the selected platforms (Facebook and Twitter) will be explored in a broader context. In this aspect, this paper will complement Kim and Ko (2010) study on social media and luxury brands by addressing the high-street fashion brands. It will investigate the impact that social media marketing properties of the high-street fashion brands have on customer relationship constructs (i.e. intimacy and trust).

3 Intimacy and trust
Passion is defined as the primary affective, extremely positive attitude toward the brand that leads to emotional attachment and influences relevant behaviour factors (Bauer, Heinrich and Martin 2007). In other words, passion is an intense and positive feeling towards a brand. But Albert, Merunka and Valette-Florence (2010) provide with a more comprehensive definition for passion as enthusiasm or the infatuation or even the obsession of a consumer for a brand.

Intimacy is defined as feeling of being closer and connected (Sternberg 1997). The perception of intimacy is required before the consumers make an emotional connection and investment in the brand and develop perceptions of trust (Elliot and Yannoupoulou 2007). In other words, intimacy is a matter of knowledge that accumulates over time and lasts longer than other emotional relationships (Kim and Ko 2010).
Trust on the other hand, refers to the degree of the tendency to believe in a certain brand’s ability to perform a promised function, being the key component to enhance relationship between a consumer and a brand in the long term (Kim and Ko 2010). In terms, trust develops positive behaviour towards the brand such as intention to purchase and recommend (Kim and Ko 2010).

Consumer trust is built when the consumer uses that brand to gather data about brand reputation, predictability and competency (Afzal, Khan, Rehman, Ali and Wajahat 2010). Trust entails confidence in the successful transfer of the brand’s reliability and integrity through consumer commitment and satisfaction with that particular brand (Afzal et al. 2010). Similarly, brand trust has cognitive and affective dimensions just as brand passion. Brand trust has a positive influence on brand affection, which predicts positive influence on brand commitment as confirmed by Albert, Merunka and Valette-Florence (2010). In Kim and Ko (2010), trust and intimacy towards a brand was demonstrated to have a significant positive influence on purchase intentions of luxury brands.

Consumer passion has shown to be influenced by both consumers’ and brand’s characteristics, but mostly determined by the brand-consumer relationship which in terms influence brand trust, identification, commitment and positive word of mouth (Albert et al. 2010). There are four characteristics identified by Bauer et al. (2007) related to the brand: brand uniqueness, self-expressive, prestige and hedonic value. In terms of individual factors, passion is influenced by consumer personality, which in terms influences the level of brand identification that entails brand love and brand passion.

Albert et al. (2010) suggest that the brand passion construct is made of three dimensions: cognitive – through the idealisation of the brand and its presence in the consumer’s thoughts, emotional – through the consumer’s attraction toward the brand and the desire to interact and behavioural – through the purchase of the brand and positive word of mouth. The congruence between brand and consumer personality or values seem to be crucial in the creation of brand passion (Albert et al 2010). Albert et al. (2010) also demonstrated that brand trust influence brand passion.

4 Consumer engagement

Overall, social media marketing is a way of brands to engage with consumers in their efforts of further developing consumer relationships. Thus, one important aspect is consumer engagement. Consumer engagement is a central concept in the social psychology literature as it explains how social relationships initiate, endure and develop being a higher-order construct, customer presenting themselves in a physical, emotional and cognitive presence in interacting with the brand (Nammir, Narane and Ali 2012).

In the online environment, consumer engagement is becoming more and more relevant since it is capable of influencing the final purchasing decision (Zailskaitė- Jakste, Kuvykaite 2012). Thus, the concept of consumer engagement on social media was analysed in various aspects. Mollen and Wilson (2010) defined consumer engagement as including consumer experience as well as the interactive relationship between the brand and the consumer. In contrast Haven (2007) defined engagement on social media as the level of involvement, interaction, intimacy and influence that a person has with a brand over time. Haven’s (2007) engagement framework of the 4 Is offers a more holistic appreciation of the consumers action, emphasising the importance of people’s behaviour and influencing powers.

According to Brodie, Hollebeek, Ilic and Juric (2009), the engagement process is occurring through the interaction of the consumer and the brand, thus it can be analysed from both perspectives. From the consumer point of view, engagement depends on whether or not they area creatively motivated by a brand to get involved or when he or she will be encouraged by other consumer or when they will receive some benefits (Zailskaitė-Jakste and Kuvykaite 2012).

Consumers are more engaged with the brands when they are able to submit feedback (Mangold and Faulds 2009), thus social media provides the perfect opportunity to ensure this aspect. In addition, Mangold and Faulds (2009) present social media as a hybrid element in the promotional mix, magnifying the brand’s promotional efforts. In addition, Zailskaitė-Jakste and Kuvykaite (2012) provided the stages of consumer engagement on social media, which are watching, sharing, commenting, producing and curating. Throughout this process, consumers are engaged by receiving cognitive and social benefits guaranteed through social interaction (Zailskaitė-Jakste and Kuvykaite 2012).

Consumer engagement is seen as a strategic imperative for understanding their behaviour and co-creating interactive experiences on a cognitive, emotional and behavioural aspect (Brodie, Ilic, Juric and Hollebeek 2011). The whole customer
experience of engagement should provide with additional value for the customer (Sashi 2012). In this aspect, consumer engagement is achieved by optimising the consumer’s direct and indirect experience with the brand and by fulfilling their physical and emotional needs (Pringle and Field 2008). Thus, brands have to engage with consumers in communication and encourage them to become active and loyal consumers (Zailskaite-Jakste and Kovykaite 2012).

In addition, consumers are more likely to talk about brand when they know a lot about the brand and when they feel special (Mangould and Fauld 2009). Enabling consumers to feel special is done by offering products, information and special deals that are available to a subset of consumers (e.g. Unilever’s Dove “Campaign for Real Beauty” offered coupons on social media) and by the brand supporting causes that are important for consumers (Mangould and Fauld 2009).

4 Hypotheses

The hypotheses are elaborated from Kim and Ko’s (2010) research, but in this case analysing high-street fashion brands. As in Kim and Ko (2010), hypotheses 1 and 2 will focus on the influence social media marketing through Facebook and Twitter has on customer relationship constructs. Determining the properties of the social media marketing for the selected high-street fashion brands will enable investigating the impact of each of them on customer relationship constructs (i.e. intimacy and trust).

H1: Social media marketing will have a significant positive influence on intimacy.
H2: Social media marketing will have a significant positive influence on trust.

A survey was created in order to test the proposed model in regards to social media and customer relationships. The survey’s items were developed according to the literature review and the scales adapted to fit the high-street fashion brand context.

A principal component analysis was done for both intimacy and trust, revealing only one component. Cronbach’s Alpha was tested in order to ensure internal consistency for each set of items, which proved the reliability (Intimacy .82 Cronbach’s Alpha, Trust Cronbach’s Alpha .87). For these components Cronbach’s Alpha is above .80, the result is deemed as ‘very good’ (Janssen et al. 2008). After this stage, the assumptions were tested in order to run multiple regressions as in Janssen et al. (2008). The researcher would like to determine the effect of social media on trust and intimacy, thus the use of forced entry method was required. The scatterplots were inspected in order determine whether or not all variables can be included in the model. No patterns were found, suggesting that all relevant independent variables are part of the model (Janssen et al. 2008). The scales used are 5-point Likert scales, which are ordinal scales, but with the assumption of equal appearing intervals, the answers can be treated as interval scales (Janssen et al. 2008). All participants voluntarily partook in the online Qualtrics survey. The researcher assumed that participants could not have been influences by the way in which others have filled the survey. The histograms of the standardized residuals were checked to ensure the normality of the distribution. There were a sufficient number of observations as parameters to be estimated (154 participants). In terms of multicollinearity, the condition index was examined and was less than 30 (12.64 and 6.44). The cases outliers (11) were deleted from the analysis, remaining 143 responses. The regression results can be found in the table below.

Table 1: The impact of social media marketing on intimacy and trust

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Dependent variable</th>
<th>B value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal relevance</td>
<td>Intimacy</td>
<td>.22</td>
</tr>
<tr>
<td>WOM</td>
<td>- .014</td>
<td></td>
</tr>
<tr>
<td>Fashion trends</td>
<td>.53</td>
<td></td>
</tr>
<tr>
<td>Personal relevance</td>
<td>Trust</td>
<td>.19</td>
</tr>
<tr>
<td>WOM</td>
<td>.08</td>
<td></td>
</tr>
<tr>
<td>Fashion trends</td>
<td>.46</td>
<td></td>
</tr>
</tbody>
</table>

As expected, social marketing has a positive impact on intimacy and trust, confirming hypothesis 1 and 2. When examining the impact that the social media marketing properties have on customer relationships constructs trust and intimacy, fashion trends and personal relevance had a strong positive impact on both of them. For intimacy, fashion trends (B=.53, t=5.58, p<.001) and personal relevance (B=.22, t=2.89, p<.01) had a positive impact, whereas word of mouth was not significant. Similarly for trust, fashion trends (B=.46, t=5.50, p<.001) and personal relevance (B=.19, t=2.78 and p<.01) had a positive impact, whereas word of mouth was not significant. Thus, it could be argued that intimacy and trust is mostly formed through repeated exposure on social media when presenting content that addressed fashion trends that is personally relevant.
5 Conclusions
This paper has examined the impact of high-street fashion brands’ social media on customer relationships by conducting a survey. The results of the survey in regards to the hypotheses revealed that social media is a significantly effective marketing medium that drives intimacy and trust for high-street fashion brands which complements Kim and Ko’s (2010) findings for luxury brands. The results from this study are interesting for high-street fashion brands and FMCG brands as it offers further understanding of social media to successfully to further develop consumer relationships. For marketers, this study provides valuable insights in order to measure the effectiveness of social media and to increase engagement with consumers.

References: