



Investigating the ripple effect in virtual communities: An example of Facebook Fan Pages



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ABSTRACT

Integrating the uses and gratifications theory (U&G theory) with the dual mediation hypothesis (DMH), this research proposes and empirically tests a model aimed at understanding how a ripple effect, a phenomenon that causes marketing messages to diffuse more extensively due to the message receivers' decisions to spreading the messages through their social networks, is created in virtual communities. A total of 599 Facebook (FB) Fan Page users in Taiwan were recruited and the Structural Equation Modeling (SEM) was used to test the research hypotheses. The results of our revised model showed that both perceived news entertainment and perceived news informativeness positively influenced the interestingness dimension of attitude toward the news, the hedonic dimension of attitude toward the FB Fan Page and the utilitarian dimension of attitude toward the FB Fan Page. The hedonic and utilitarian dimensions of attitude toward the FB Fan Page resulted in eWOM intentions (intention to give, pass and obtain information). The interestingness dimension of attitude toward the news plays an important mediating role in the proposed model. Based on the findings, implications and future research suggestions are provided.

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1. Introduction

Virtual communities on social networking sites (SNSs) connect people with common interests, values, goals and visions. Members share resources and information to fulfill community member's needs (Ridings, Gefen, & Arinze, 2002; Wang, Yu, & Fesenmaier, 2002). Fifty percent of SNS users connect to brands (Van Belleghem, Eenhuizen, & Veris, 2011). Thus, SNSs have become an important vehicle for firms to release news about their products and services as well as a platform through which to communicate with customers (Chu & Kim, 2011; Williamson, 2006). Members of a SNS are more likely to accept the content from the SNS and provide positive electronic word-of-mouth (eWOM) than non-members (de Vries, Gensler, & Leeflang, 2012). eWOM makes the information diffusion scope even wider and larger than traditional media. The rapid growth of SNSs has cause firms to invest in relationships with consumers on SNSs and generate a maximum effect of eWOM, which is called a ripple effect. Understanding how eWOM is generated on SNSs will provide managerial contributions to practitioners.

Facebook (FB) is the SNS with the largest amount of users worldwide. According to [Alexa Web Information Company's Report \(2012\)](#), the statistics summary of SNSs showed that FB has the largest number of user visits. An average 43.33% of Internet users visit Facebook.com per day. This percentage is much larger than the second largest SNS, Twitter, with average 7.72% per day. A FB Fan Page is a platform initiated by brands, firms or individuals to release news, interact with fans and gather their fans together. Many firms, such as Starbucks, HTC, ASUS and Mini Cooper have utilized their Fan Pages to carry out marketing and advertising activities and interact with customers (Wang, 2011). HTC is a well-known Taiwanese smart phone manufacturer that has a Fan Page with over 4 million fans. When it posted a product picture to promote its new product HTC One M8, the post attracts over 3000 likes, 104 replies and 45 shares within 10 h on its Fan Page. With such a high response rate within a short time period, the product information begins spreading across those fans' networks. Thus, a ripple effect occurs. Why do these fans want to obtain, discuss and share the information released from the Fan Page? This research wants to answer this question. Specifically, we investigate the generation process of eWOM intentions on Fan Pages. The research context of this study focuses on firm-initiated FB Fan Pages.

Past research efforts have studied various word-of-mouth (WOM) issues from identifying antecedents of WOM (de Matos &

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Rossi, 2008; Mazzarol, Sweeney, & Soutar, 2007) and characteristics of WOM speakers and listeners (Lee & Youn, 2009; Martin & Lueg, 2013) to platforms that influence WOM effects (Lee & Youn, 2009; Martin & Lueg, 2013). In particular, researchers have called for more research in investigating the antecedents of WOM (Mazzarol et al., 2007). A recent study has identified factors, such as satisfaction, loyalty, quality, commitment and trust, which will lead to WOM activity (de Matos & Rossi, 2008). It is noted that these factors are post-consumption perceptions and evaluations toward the products/services/firms. However, WOM can be triggered by advertising/promotion before consumption (Mazzarol et al., 2007). Fan Pages allow firms to post ads, promotions and updates. Thus, following this stream of research, this research investigates how firm-initiated advertising/promotions on Fan Pages trigger fans' eWOM intentions in the Fan Page context.

This research proposes a model that integrates the dual mediation hypothesis (DMH) with the uses and gratifications (U&G) theory to explain eWOM intentions on Fan Pages. Using the DMH as a framework, we propose that attitude toward the news on a Fan Page (A_{news}) has a direct influence on attitude toward the Fan Page (A_{FP}) and results in eWOM intentions. The DMH is regarded as the best model to explain communication effectiveness (Brown & Stayman, 1992; Homer, 1990; Miniard, Bhatla, & Rose, 1990). However, the single antecedent cognition in the DMH hardly can reflect individuals' motivations precisely and provide concrete cues for researchers and Fan Page managers to understand fans' needs in selecting a Fan Page to follow (Karson & Fisher, 2005a, 2005b; López & Ruiz, 2011). The U&G theory has been used to explain how consumers select media in order to fulfill their needs (Ko, Kirsch, & King, 2005). Specifically, this research proposes that perceived news entertainment and informativeness influence the hedonic and utilitarian dimensions of A_{FP} via the interestingness dimension of A_{news} . The hedonic and utilitarian dimensions of A_{FP} subsequently lead to eWOM intentions (intention to give, pass and obtain information).

This research contributes to the WOM literature in several aspects. First, this research shows that the U&G theory can be used in order to provide the main antecedents of eWOM intentions. Specifically, we show that perceived news entertainment and informativeness influence the interestingness dimension of A_{news} . Second, this research extends the application of the DMH to the virtual community context and shows the generation process of eWOM intentions. Third, prior research divided consumer attitude into hedonic and utilitarian dimensions (López & Ruiz, 2011), but lacked of a dimension that represented individuals' personal interests. This research shows the existence of the interestingness dimension of A_{news} and it mediates the effects of the perceived news entertainment and informativeness on the hedonic and utilitarian dimensions of A_{FP} . Fourth, this research elaborates upon and empirically tests the multi-dimensions of eWOM intention (intention to give information, intention to pass information, and intention to obtain information), which has usually been considered to be a single construct (Chu & Kim, 2011; Yeh & Choi, 2011). The findings provide additional evidence that the lines between intentions to give, pass, and obtain information become blurry (Chu & Kim, 2011).

2. Theoretical background and hypotheses development

2.1. Virtual communities and the ripple effect

Virtual communities are places that combine the characteristics of communication platforms and social networks where people with common interests, values, goals and visions gather together to share resources and information (Lin & Lu, 2011; Ridings et al., 2002; Subramani & Rajagopalan, 2003; Wu, Chen, & Chung,

2010). Virtual communities on SNSs have been growing substantially. Thus, eWOM on SNSs is a powerful marketing tool that marketers cannot neglect. It not only affects consumer purchase decisions, but also generates a ripple effect, a phenomenon that diffuses marketing messages more extensively due to the decision of the message receivers to spread the messages through their social networks (Cheema & Kaikati, 2010; Huang, Cai, Tsang, & Zhou, 2011). The change in the form of WOM from oral communication to online communication has changed WOM from "one to one" to "many to many" (Huang et al., 2011). Several of the eWOM characteristics differ from traditional WOM. For example, eWOM releases the restriction of time, geography and space (Cheung, Luo, Sia, & Chen, 2009), which further enlarges the scope of the ripple effect.

A substantial amount of research has investigated WOM. One stream of research in WOM investigates the antecedents of WOM. In an exploratory research, researchers identified the antecedents (i.e., message content), triggers (e.g., advertising/promotion) and conditions (e.g., organizational advocacy) as well as the consequence (e.g., expected value) of WOM (Mazzarol et al., 2007). Using a meta-analysis, de Matos and Rossi (2008) demonstrated that commitment, perceived value, quality, trust, satisfaction and loyalty had positive bivariate relationships with WOM. A second stream of research investigates the motivations that determine consumers' engagements in either positive or negative WOM. Researchers have found that self-enhancement leads consumers to generate positive WOM but transmit negative WOM (Angelis, Bonezzi, Peluso, Rucker, & Costabile, 2012). In a similar vein, Lee and Youn (2009) indicated that WOM platforms (i.e., personal blog, independent review Website and the brand's Website) influence consumer product judgments and WOM intentions. Another stream of research examines the conditions that moderate WOM effects. For example, previous research has shown that both a similarity between a forum's topic and a user's interest and attitude toward the forum (Prendergast, Ko, & Yuen, 2010) as well as the ratio of positive and negative messages (Doh & Hwang, 2009) influence the persuasiveness of WOM. Other researchers also show that WOM valence, incidence, involvement and prior knowledge moderate the WOM effects (de Matos & Rossi, 2008; Doh & Hwang, 2009). In a related vein, researchers have identified factors (e.g., source trustworthiness, experience, expertise and evidence) that influence WOM adoption (Martin & Lueg, 2013) and WOM review credibility (Chih, Wang, Hsu, & Huang, 2013). It should be noted that the first two streams of research are from the WOM speaker's perspective while the latter stream is from the WOM listener's perspective. The research-identifying antecedents of WOM from the speaker's perspective is still under-researched. It has been suggested within the field that promotion influences consumers to seek WOM (Bayus, 1985), but recent research has shown that advertising/promotion can trigger speakers to give WOM (Mazzarol et al., 2007). Therefore, following the first stream of research and responding to the call for more research in regard to the antecedents of WOM (Mazzarol et al., 2007), we investigate the factors that lead to eWOM intentions on firm-initiated FB Fan Pages. Specifically, we study what and how the characteristics of news released by firm-initiated FB Fan Pages can lead to eWOM intentions.

Recent researchers have further divided eWOM intentions into three constructs: intention to give, pass and obtain information (Chu & Kim, 2011; Yeh & Choi, 2011). Intention to give information refers to individuals' intentions to offer their knowledge about certain issues to other Fan Page users. Intention to pass information refers to individuals' intentions to pass information attained from the Fan Page to others not using the Fan Page (Yeh & Choi, 2011). Intention to obtain information refers to individuals' intentions to ask for information on the Fan Page (Ridings et al., 2002).

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