



The deeper, the better? Effect of online brand community activity on customer purchase frequency



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ABSTRACT

Researchers disagree on how to determine customer purchase frequency based on the level of activity in an online brand community. Consequently, there is a great need to reconcile the mixed findings obtained so far. Drawing on regulatory focus theory, we hypothesize that the effect of community participation may be contingent on participants' goal-pursuit focus (prevention or promotion). Our analysis of customer blog data in a company-sponsored community together with transactional data of the same company demonstrated that deep community participation among promotion-focused customers significantly increases purchase frequency; however, deep participation has a very different effect among prevention-focused customers.

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1. Introduction

Online brand communities, which are always enabled by social media technology, are designed to facilitate consumers' communication and interaction with each other to discuss product-, brand-, or company-related information, as well as share their experiences [3]. Unlike the traditional brand community, an online brand community provides a virtual forum for consumers to communicate without limitations of time and place. Such communities not only allow companies to observe what consumers think, but can be crafted as channels to promote new products, spread brand image, and cultivate consumer loyalty [2,6,63,76]. Realizing a series of advantages, both large (e.g., Nike, Apple, and Coca-Cola) and small companies¹ have begun to build their own communities to improve customer contributions like increasing their visits or purchases. To this end, the understanding

of customer behavior in online brand communities attracts much attention from both researchers and practitioners.

Customer behavior can differ varying on their participation level (i.e., from shallow to deep) [29,54]. Some customers join a community only to read the information available in order to make better purchase decisions. Customers can also engage in the community to exchange or share something with others with similar interests, and post new messages or reply to others' messages. Customers may also become leaders in the community through organizing group activities or discussions [57]. Compared with the people who just read the information posted, leadership members are considered to be more deeply involved [56]. Recognizing that different types of participators join communities and that they have different participation levels, the question arises: are they all beneficial to a company?

Several recent studies have attempted to identify the relationships between participants' behavior in an online brand community and their value to the company (for a summary, see Table 1), and generated mixed findings. For instance, through an econometric analysis based on second-hand data from a third-party brand community (i.e., Facebook) of a wine company, Rishika et al. [62] found that more deeply involved customers increased their product purchases. This result is reinforced by the work of Oestreicher-Singer and Zalmanson [56], who focused on

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¹ According to ZDNet, 2011, two-thirds of small business owners use Facebook for marketing. <http://www.zdnet.com/blog/facebook/two-thirds-of-small-business-owners-use-facebook-for-marketing/1529> [last access date: 06-June-2014].

Table 1

Previous empirical research related to brand community participation.

Study	Method	Data	Key findings
Mathwick [52]	Cluster analysis	Online survey, 2002	The intensity of relationship-oriented community participation positively influences online loyalty intention
Andersen [7]	Case study	An online community of Coloplast, 2001	Higher levels of community participation show a high level of customer satisfaction
Algesheimer et al. [6]	Interview and survey	Participants from Germany, Switzerland, and Austria, 2003	Brand community identification leads to greater community engagement, and negative consequences, such as normative community pressure and (ultimately) reactance
Shang et al. [64]	Multiple regression	A virtual community of Apple users, 2005	A consumer's content consumption in the online community increases brand loyalty, but the impact of posting is not significant
Thompson and Sinha [67]	Hazard model	Four online communities, 2004–2007	Higher levels of community participation may increase the likelihood of adopting products from rival brands
Ransbotham and Kane [61]	Proportional hazard models	Wikipedia, 2001–2008	In case of turnover, higher levels of community participation is not optimal for community outcomes
Oestreicher-Singer and Zalmanson [56]	Logistic regression, a hazard model	Last.fm, 2009	Users with higher levels of community participation are more likely to pay for premium services
Rishika et al. [62]	Propensity score matching, differences-in-differences	A community on a social networking website, 2008–2011	Higher levels of activity or message posting in an online community have a positive impact on customer visit frequency
Petrovčič and Petrič [59]	Multiple classificatory analysis	Health-related online communities, 2010	Higher levels of community participation have a positive impact on interactional outcomes (i.e., empowerment), but no impact on intrapersonal outcomes

examining the relationships between customer participation level and purchase behavior in the music industry (i.e., Last.fm), and demonstrated the positive relationship between them. In contrast, Shang et al. [64] did not find a direct and positive effect of online brand community participation level on customer purchase behavior.

Unlike these studies, which focus on the average effect of participation level (i.e., do not realize that these can differ even among shallow/deep participators) on customer purchase behavior, in this article, we examine one contextual factor (i.e., consumer-specific characteristic) that moderates the relationship between these two. Based on the regulatory focus theory [38], which indicates that customers with different self-regulatory focuses respond differently to the information presented in a community, we conjecture that participator purchase behavior is not only determined by how deeply a participator is involved in a community, but also is contingent on the his/her regulatory focus. Through model building and empirical testing, our findings make two significant contributions to the extant knowledge. First, faced with the inconsistent findings of prior studies regarding the relationship between consumer brand community participation and purchase frequency [56,64], this study offers a new perspective through consideration of consumers' regulatory focus, thus, to some extent, reconciling the mixed findings. Second, although it is widely observed that consumers with different regulatory focuses (i.e., promotion-focused versus prevention-focused consumers) respond differently to the same piece of information [34,70,74], little is known about how consumer regulatory focus influences consumer purchase behavior. By using archival data to test our proposition, this study proposes that, in a natural environment, consumers' different regulatory focuses typically affect their purchase behavior.

2. Theoretical background

2.1. Ladder of participation in online communities

An online brand community is “a specialized, non-geographically bound community based on a structured set of social

relationships among admirers of a brand” [53]. Compared with a traditional offline brand community, an online brand community is much easier and cheaper for a company to develop [23]. Companies can choose to build communities by themselves as independent forums, or to use third-party platforms like Google Groups, MSN Groups, and even Facebook. Some examples are www.nikonians.com, www.saabnet.com, and Fans of Apple on Facebook (<https://www.facebook.com/fansofapple>).

Various classification frameworks have been proposed in prior studies to examine how customers participate in brand communities. For instance, Madupu et al. [51] classified participators as either non-interactive and interactive. Non-interactive participators are those who are not highly involved in a community, passive activities constitute the majority of their behaviors. In prior studies, non-interactive participators have been referred to as “lurk,” and the participators who exhibit such behavior are called “lurkers” [16]. There are two types of “lurker.” One is the passive lurker, who joins a community silently, merely browsing the brand community and reading messages posted there. The other is the active lurker, who not only browses and reads the shared information, but also joins in with information transfer behaviors like forwarding community information to others through different channels. On the other hand, an interactive member is a participator who joins a community deeply by engaging in various activities such as posting messages, responding to other participators' queries, participating in contests in the community, and leading others to join activities.

In line with but deviating from Madupu's work, Andersen [7] classified participators' behaviors according to different levels of interactivity: light browsers, browsers, enthusiasts, and contributors. Light browsers and browsers focus on discussing the shallow behavior of participators in the community without contributing, while enthusiasts and contributors are more committed and contribute more. Preece and Shneiderman [60] provided a comprehensive framework explaining the behavior of brand community members from “reader” to “leader.” They categorized various types of behavior into this framework. For instance, focusing on the “reader” section, they presented and discussed the behavior of reading, browsing, searching, and returning; while in

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