Full length article

Factors influencing the consumer adoption of Facebook: A two-country study of youth markets

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A B S T R A C T

Facebook and other social network sites (SNSs) are quickly becoming one of the most popular tools for social communication and marketing. The present research examined factors that affect consumers' self-disclosure and participation of commercial activities on Facebook across two markets. Drawing upon the social exchange model, the uses and gratification model, and the social identity model, a conceptual model was developed and estimated. The major independent variables included perceived convenience, self-presentation, enjoyment, perceived risk, and social influence. Focusing on youth consumers, the model was tested by using data collected in Hong Kong and Japan. Findings across these two markets reflect cross-market similarities and differences that are related to consumers' motivation of using Facebook. Both theoretical and practical implications were drawn from these findings.

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1. Introduction

Social network sites (SNSs) refers to a group of Internet-based applications that allow for the creation and exchange of user-generated content (Kaplan & Haenlein, 2010). Within a few years, SNSs have become one of the world's major communication systems. As of 2014, there are more than 1.3 billion Facebook users, 982 million Twitter users, and 300 million LinkedIn users worldwide (Smith, 2014). These web sites have become not only a major communication channel between friends and relatives, but also a new avenue for marketing communication. SNSs offers marketers not only direct communication with consumers, but also more potential interaction touchpoints and more flexible ways to communicate with consumers, which allows marketers to increase the brand engagement of prospects and consumers (Lilley, Grodzinsky, & Gumbus, 2012). In contrast, SNSs expand the effects of word-of-mouth marketing (WOM) as consumers experience WOM from both their friends and advertising (Coulter & Roggeveen, 2012). To enhance the effective use of SNSs, marketers should understand their customers' motivation for using SNSs and develop effective strategies to interact with them.

In recent years, many research studies explored how people use SNSs and how marketers may connect with their consumers through such sites. Wilson, Gosling, and Graham (2012) reviewed SNS research and classified the articles into five major areas: analysis of user background, users' motivations, identity presentation, roles of Facebook in social interactions, and privacy and information disclosure. The use and effects of SNS to consumer decision-making and behavior become a major area of consumer research. For example, some studies assessed the impact of user-generated online product reviews on consumer information processing (Kozinets, de Valck, Wojnicki, & Wilner, 2010), marketing strategy (Okazaki, 2009), consumer decision making (Iyengar, Han, & Gupta, 2009) and consumer socialization (Okazaki, 2009). Recently, researchers have started to examine the use of SNSs from cultural perspectives. For example, Kim, Sohn, and Choi (2011) found that obtaining social support is a stronger motivation for Korean students use of Facebook, while U.S. students put more weight on seeking entertainment. The examination of SNS motivations and usage across cultures becomes an important area of research as SNSs become a worldwide phenomenon.

This study explores the motivational differences of self-disclosure and participation of commercial activities on Facebook in Hong Kong and Japan. This research has both scholarly and practical significance. First, cross-cultural differences of SNS user behaviors and the determinants of their behaviors have not yet received significant attention in research. Previous research has identified several major groups of factors that determine consumers' usage of social media and their participation in commercial

activities online, but still have limited discussion on the cross-national differences of these relationships (Shin, 2010). The study aims to present an investigation of consumer social media behavior across different countries. Specifically, the key research questions in this study are (1) Are there cross-border differences between the consumers' usage of Facebook and e-commerce? (2)What factors influence the consumers' intention to disclose and share commercial information on Facebook? (3) Do these factors vary across different cultures? This research contributes to the social media literature by developing a conceptual framework that links the relationships between motivational factors with the consumers' usage of Facebook and cross-national marketing research.

Second, this study would enhance our understanding of using SNSs in marketing across boundaries. Cross-cultural issues have, so far, been investigated more in the context of the traditional marketing practices. SNS-based research in a cross-cultural context has revealed that a user's cultural background strongly influences his/her use of SNS (Kim et al., 2011). International marketers use different approaches to handle this issue. Some marketers have created locally-oriented social media sites, while other marketers adopted a standardized strategy in their communications. As limited research studies were conducted in a cross-national context, questions about how digital marketers handle consumers across borders arise.

Third, this study contributes to this area by comparing Chinese and Japanese consumers regarding their self-disclosure, their participation in commercial activities on Facebook, and the key determinants of their behaviors. In China, there were 564 million Internet users as of June 2012. Chinese Internet users also spend more time on social media sites than users in other countries (Chiu, Lin, & Silverman, 2012). China's social media sites are important portals and entry points to brand sites. As China banned the use of Facebook, in this study, the samples were collected from Hong Kong for analyzing Chinese users' use of Facebook. As of September 2012, there were more than 4 million Facebook users in Hong Kong, which constitutes more than 56% of its population and 82% of its online population. The high penetration rate of Facebook has made it a major tool that international brands use to conduct interactive marketing in Hong Kong.

Japan has a very mature digital market, with local players dominating different fields. After launching in 2004, Mixi was the leading social networking platform in Japan during the 2000s (Marcus & Krishnamurthi, 2009). The key features of Mixi include the integration of blogs inside personal profiles and the ability for users to review different products such as CDs, movies, and video games. Mixi is only accessible to Japanese citizens, as a Japanese phone number is required to open an account. Mixi reached 20 million users in 2011 and is mostly used by young people. In recent years, Facebook has also become one of the strongest SNSs in Japan. In 2013, there were about 15 million active Facebook users in Japan, which constitutes approximately 15% of total Internet users.

China and Japan were selected because they were the two major economies in Asia. They show a medium degree of dissimilarity in cultural and historical terms. Furthermore, both areas are leading markets for digital marketing and enjoy an extremely high penetration rate for social media. Thus, this study could provide marketers with some practical insights on the development of SNS marketing strategies in Asian countries.

2. Conceptual model of Facebook usage

2.1. Theoretical perspectives

The worldwide growth of social media has significantly changed the way in which individuals communicate, access, and share information. Different theoretical areas—social exchange theory, the use and gratification theory, and social identity theory—have been applied in the marketing literature to explain consumers' adoption of SNSs. A conceptual model of consumer usage of Facebook was developed based on these perspectives.

The social exchange theory viewed the social interaction as an exchange of benefits and costs (Homans, 1958). People engage in some behaviors if they find that the potential benefits from engaging in that behavior offset the potential threats or losses (Bateman & Organ, 1983). Some researchers use this theory to explain various online behaviors of consumers, such as citizenship behaviors online (Chen, Chen, & Farn, 2010). People may consider the benefits of using social media, such as receiving news, entertainment, and connections, as well as its threats (i.e., privacy invasion) to determine their participation in social media (Krasnova, Spiekermann, Koroleva, & Hildebrand, 2010).

The uses and gratification theory suggests that people use media to fulfill a "core set of motivation," such as purposive value, social connection, and entertainment (Dholakia, Bagozzi, & Pearo, 2004). Purposive value refers to the use of social media to obtain some useful information and complete some tasks. Social connection refers to receiving social support and affection online. Entertainment value refers to the feeling of relaxation and fun from participating in different activities. This theory is applied to explain factors related to consumer choice of new media (Stafford, Stafford, & Schkade, 2004), mobile data services (Nysveen, Pedersen, & Thorbjørnsen, 2005), the adoption of Facebook (Al-Debei, Al-Lozi, & Papazafeiropoulou, 2013), and the use of mobile marketing (Gao, Sultan, & Rohm, 2010).

Social identity theory suggested that a person achieves a social identity through self-awareness of membership in a group and their perceived status in that group (Tajfel, 1974). People may identify with groups in social networks that can enhance their personal self-esteem (Tajfel & Turner, 2004) and collective self-esteem (Crocker, Luhtanen, Blaine, & Broadnax, 1994). In other words, this theory suggested that participants are willing to participate in these activities if they find that social media could enhance their self-image and receive support and respect from peers online (Muniz & Schau, 2005).

These theoretical perspectives provide a base with which to understand the factors that are likely to affect consumer usage of Facebook. A parsimonious conceptual model is shown in Fig. 1 that incorporates the factors discussed below. Major motivations for using social media and disclosing personal information online include convenience in relationship building and maintenance, pleasure-seeking and entertainment, self-image enhancement, and needs for self-expression and self-actualization (Hui, Tan, & Goh, 2006; Shao, 2009). The major "cost" of disclosing personal information online is the perceived privacy risk (Malhotra, Kim, & Agarwal, 2004).

2.2. Dependent variable: self-disclosure and participation

Consumers' intention to disclose their personal information on Facebook and to participate in commercial activities on Facebook are the two outcome variables in this study. Behavioral intention has been defined as "the strength of one's intention to perform a specified behavior" (Fishbein & Ajzen, 1975, p. 288). Specific to this research, this construct relates to respondents' receptiveness and intentions to engage in activities such as uploading their photos, "liking" fan pages, sharing product and promotion information, and participation in brand events and sales promotional activities. Similar to some studies that examine consumers' intention to disclose personal information on SNS (Krasnova et al., 2010), I propose a model that incorporates behavioral intent related to