The role of social and parasocial relationships on social networking sites loyalty

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ABSTRACT

Social Networking Sites (SNSs) have become mainstream and increasingly attract research and managerial attention. However, there is a lack of research on the social factors that determine consumers' loyalty to SNSs. Therefore, the purpose of the paper is to develop and estimate a conceptual model of how different aspects of social and parasocial relationships developed in social networking sites influence consumers' loyalty. The paper examines how parasocial relationships consumers developed with SNSs members precede and contribute to the creation of social relationships expressed as (a) identification with the SNS group and (b) engagement with the SNS group which in turn lead to (c) SNS related behavioral intentions and (d) SNS loyalty. This is one of the few studies available in the literature that takes a social approach in the study of SNSs and examines the applicability of theories developed offline in the online social environment of SNSs. The proposed hypotheses are tested by estimating a structural equation model with survey data from a convenience sample of 320 members of various online social networks. The findings of the study partially confirm the proposed conceptual sequence of effects and provide important theoretical and practical implications.

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1. Introduction

Social Networking Sites (SNSs) are increasingly attracting research and managerial attention due to their affordances and reach. A recent report by Generator Research (2013) supports that the global social networking market will significantly grow over the next five years in relation to the number of consumers, overall revenue and average revenue per consumer. The report predicts that the total number of global social network consumers will reach 1.8 billion by the end of 2013 and will increase to $2.5 billion by 2017 (38% increase). The growing numbers of consumers will make advertising and communication on social networking sites a very attractive vehicle for brands. Moreover, it is projected that the worldwide revenue of all social networking sites will increase from $16.2 billion in 2013 to $30.1 billion by 2017 (86% increase).

There are hundreds of SNSs that connect billions of consumers worldwide and in many cases have become part of their daily activities. According to Smith (2014), there are more than 415 active SNSs, applications and tools with several of them having more than 100 million active consumers. For example, Facebook reached 1.23 billion consumers in 2013 while Tencent QQ and Skype have more than 300 million active consumers each. Research shows that consumers spend several hours daily on SNSs. According to Ipsos Open Thinking Exchange study (2013), 71% of the sample studied (8520 respondents out of 12,000) across 24 countries reported using SNSs for an average of 3.6 h per day. Specifically, SNSs consumption reaches 91% in Mexico and Saudi Arabia, 90% in Turkey, 87% in Brazil, 87% in Indonesia, 75% in the U.S., 74% in Great Britain and 72% in Germany. Among SNSs consumers, Indonesians and Saudi Arabians spend the most time (5.1 h daily), followed by the Turkish (4.9 h), Argentinians (4.7 h), and Russians (4.6 h).

Thus, it becomes apparent that SNSs play a central role in today's global economic and social environment. Due to their importance, a significant volume of current research is focused on issues related to their use from various perspectives such as management, marketing, media, and technology (Baker & White, 2010; Boyd and Ellison, 2008; Chen, 2011; Munzel & Kunz, 2014; Pagani, Hofacker, & Goldsmith, 2011). In marketing, studies attempt to understand how consumers interact with each other through these virtual communities. The available literature focuses either on the programmers' actions (Bagozzi & Dholakia, 2006) or on the consumers' individual characteristics (Pagani et al., 2011) or on consumers' social (Mathwick, Wiertz, & de Ruyter, 2008; Men & Tsai, 2013) and switching behavior (Wu, Tao, Li, Wang, & Chiu, 2014) in understanding SNSs consumption.

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Research shows that consumers do not remain loyal to SNSs but exhibit switching behavior as in other consumption of services in online and offline settings (Garside, 2013). For example, Facebook has lost 6 million US consumers, a 4% fall, while 1.4 million fewer consumers checked in the UK in March 2013, a fall of 4.5%. In the last six months of 2012, Facebook has lost nearly 9 million monthly visitors in the US and 2 million in the UK. Consumers are also switching off in Canada, Spain, France, Germany and Japan, where Facebook has some of its biggest followings. The decline of Facebook consumption in the above countries can be explained by the launch of alternative SNSs such as Instagram and Path and the use of mobile apps (Garside, 2013).

Nowadays, switching behavior in the online environment has become a major concern (Keaveney & Parthasarathy, 2001; Wu et al., 2014). Previous research shows that switching behavior generates negative effects such as decreased market share and profitability (Rust & Zahorik, 1993) and threatens long-term relationships with consumers (Ganesh, Arnold, & Reynolds, 2000). A recent study (Wu et al., 2014) revealed that convenience and peer pressure are the top reasons for switching SNS platforms, whereas mobile capabilities and real-time access are the top motivations for switching to mobile SNSs. On the other hand, loyal and long-term relationships with consumers can bring significant value to firms, such as positive word-of-mouth engagement (Dick & Basu, 1994), high service usage (Bolton & Lemon, 1999) and business sustainability (Ganesh et al., 2000).

Considering the widespread use of SNSs around the world and their significant number and role worldwide along with consumers' increasing switching behavior in this context, it becomes imperative to study the direct and indirect determinants of SNSs loyalty. Due to the low barriers consumer face and high competition in the online environment, online loyalty has become a major challenge and therefore, it is critical to understand why consumers decide to remain loyal to SNSs. Research on SNSs loyalty is still an under-investigated topic (Currás-Pérez, Ruiz-Mafé, & Sanz-Blas, 2013) while empirical studies with a strong theoretical foundation are needed to enhance our understanding of the construct in the online context (Chiu, Cheng, Huang, & Chen, 2013).

In addition, although the mission of SNSs is to create networks of consumers in order assist them in developing relationships such as friendships, professional liaisons and romantic connections, there is a lack of research on the types of relationships consumer develop and their role in shaping SNSs loyalty (Chen, 2011; Daugherty, Eastin, & Bright, 2008; Kaplan & Haenlein, 2010; Marwick, 2005). SNSs provide a platform where consumers engage in various forms of behaviors (e.g. write a review, express their opinion and share their experiences) and interactions with other consumers. Thus, consumers might be active (posting comments and material or reposting others' comments and material) or passive consumers (just viewing or observing) of SNSs content (Munzel & Kunz, 2014; Pagani et al., 2011). Active consumption may be considered as social behavior because it involves social interactions (Cohen, 2004; Heider, 1958) while passive consumption as parasocial behavior because it is a one-sided interaction (Auter & Palmgreen, 2000; Horton & Wohl, 1956). In the SNSs context, social relationships can be considered as the sum of social interactions that are based on reciprocity between a consumer and his/her online friends whereas parasocial relationships are one-sided relationships in which a consumer is aware of the activities of other consumers but not vice versa (Baek, Bae, & Jang, 2013). Although parasocial relationships have been studied extensively in the offline environment, only recently attracted research attention in the online environment and specifically in relation to the use of SNSs (Ballantine & Martin, 2005; Munzel & Kunz, 2014; Pagani et al., 2011). Since parasocial relationships are mediated relationships which involve a medium (e.g. TV, radio, Internet)

(Cohen, 2004; Rubin, Perse, & Powell, 1985), it is expected that parasocial behavior will be present in Internet mediated contexts such as SNSs (Giles, 2002). Moreover, recent studies confirm the presence of parasocial relationships in the online environment (Colliander & Dahler, 2011; Munzel & Kunz, 2014; Pagani et al., 2011). Whereas parasocial relationships do not differ between media contexts, they have higher propensity to become reciprocal and turn into social relationships in online contexts than in offline settings (Giles, 2002; Kassing & Sanderson, 2009). Therefore, it becomes imperative to study the two types of relationships (social and parasocial relationships) consumers develop in SNSs, examine the link between them, and their influence on important consumer behavior outcomes such as SNS loyalty.

Although previous research has shown the importance of consumer loyalty in business sustainability (Ganesh et al., 2000; Rust & Zahorik, 1993), the literature lacks empirical insights into the interdependence of parasocial and social relationships and their role in developing loyalty to SNSs. Therefore, the purpose of the paper is to develop and estimate a conceptual model of how different aspects of social and parasocial relationships developed in social networking sites influence their consumers' intentions and loyalty. Specifically, the research questions this study aims to answer are:

RQ1: If and how parasocial and social relationships influence SNSs loyalty?
RQ2: What is the link between parasocial and social relationships in SNSs?

The study advances our understanding of online loyalty by delineating the development of interpersonal relationships in an emerging online medium such as the SNS context. Furthermore, the present research investigates empirically the role of parasocial and social relationships as antecedents of SNS loyalty. This research distinguishes the types of relationships developed over SNSs, and for the first time examines their influences in building loyalty to SNS in tandem. In other words, through a theoretical and empirical research, this study reveals the differential effects of various aspects of social and parasocial relationships based on a conceptual model and helps define the role of these relationships in explaining consumers' behavioral intentions and loyalty to SNSs.

Moreover, the paper contributes to the current literature and management of SNSs by providing valuable insights into the relationship between social and parasocial relationships and their role in developing loyalty to SNSs. Given the rapid proliferation and development of SNSs linked to an alarmingly high abandonment rate, understanding the factors that influence consumers' loyalty is imperative for the survival and ultimate success of SNSs (Wang, 2013). While the importance of loyalty has been recognized in marketing, to the authors' knowledge the conceptualization and empirical validation of a loyalty model derived from a social perspective for the SNSs context has not been addressed. Recent research suggests that internet communication technologies have shifted the nature of parasocial interaction from one-sided and passive to an approximation of actual social interaction and confirm that consumers readily interact (para)socially with media personae (Kassing & Sanderson, 2009). Therefore, the present study examines the role of parasocial and social relationships as predictors of SNSs behavioral intentions and loyalty. To the author's knowledge, this is one of the few studies available in the literature that takes a social approach in the study of SNSs and examines the applicability of theories developed offline in the online social environment of SNSs. This is the first study that explores the link between social and parasocial relationships in an online environment advancing the literature on this type of context and services.

Furthermore, the present study collects data from a small European country, Greece, in an effort to provide insights from other