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THE IMPACT OF SOCIAL NETWORK SITES ON THE CONSUMPTION OF CULTURAL GOODS

Sheila O'Riordan, Joseph Feller, Tadhg Nagle

Abstract

Social Media has altered the way in which people interact, collaborate and communicate. In particular, social network sites (SNS) have grown tremendously popular and are creating new forms of Web use. The social interactive nature of SNS enables people to share cultural tastes and content across the Web. Cultural goods are hedonic experiential goods and are used in SNS as a means of acquiring and maintaining friendship networks amongst other purposes. Music, in particular, is discussed, shared, and sampled across SNS. The objective of this research is to understand the impact of social networking software on the consumption of cultural goods. Specifically we investigate the affect the functional affordances of SNS have on the consumption tasks for discovering cultural goods (music). This research-in-progress paper defines SNS, outlines the key affordances of SNS, and describes the nature of cultural goods consumption. This is followed by a description of the research objectives, proposed research model, and planned activities for the next stage of the research project.

Keywords: social media, social network sites, Web 2.0, cultural goods, digital goods, consumer behaviour, media consumption, music.

1 Introduction

Social media refers to Internet-based applications that enable people to connect, communicate, collaborate, and to create and exchange user-generated content (UGC) (Kaplan & Haenlein, 2010; Russo & Peacock, 2009). These media have changed how information is produced and consumed online (Hoegg *et al.*, 2006). By creating new pathways and links between users and information, people now have the ability to shape both their own experiences and those of others (Russo & Peacock, 2009). Within the domain of social media, the widespread adoption of social network sites (SNS) is particularly notable (Lewis *et al.*, 2008). SNS provide an online space for the creation of personal information profiles; they provide tools for interacting with other people and for the exchange of UGC (Boyd & Ellison, 2007; Kaplan & Haenlein, 2010). Users of SNS are often deeply personally invested in the technology, making “virtual and ‘actual’ communications, relationships, and identities become virtually indistinguishable” (Lewis *et al.*, 2008). Just as the emergence of the web and electronic commerce changed the way people shopped and provided new tools for information gathering and making purchasing decisions (Haubl & Trifts, 2000), social media further alter consumer behaviour, enabling new and often unanticipated activities (Russo & Peacock, 2009). Specifically, social media have created an environment of co-creation and interactive cultural experiences (Russo & Peacock, 2009) which are affecting the consumption of cultural goods. Online interaction and networking has become a form of self-expression whereby people convey their identity, lifestyle and social relations (Liu, 2007; Livingstone, 2008).

Throughout the preceding decade, cultural goods have experienced profound technological change (Potts, 2006), accompanied by a shift from a product-based economy to a service-based economy, with particular emphasis on digital services (Williams *et al.*, 2008). The diffusion of these technologies has had a direct impact on the production, distribution and consumption of cultural goods (Healy, 2002; Molteni & Ordanini, 2003). It is now possible to search, download, and share digital cultural goods over the Internet (Molteni & Ordanini, 2003) thus altering people’s relationship to these goods; this type of consumption is a form of enjoyment and social interaction (Throsby, 2003). Music in particular has been one of the most popular cultural goods exchanged over the Internet (Healy, 2002). The consumption of music as a cultural good is viewed as a leisure activity whereby music and music discussion are seen as important elements in creating and maintaining friendship networks (Singh *et al.*, 2006). The consumption of these goods is occurring across different technological contexts where they can be accessed, shared and collected (Singh *et al.*, 2006). This paper presents early stage research-in-progress investigating the impact of SNS on the consumption of cultural goods, specifically the consumption of music. In the paper, we define SNS in more detail, deriving a set of key SNS affordances (section 2) and describe the nature of cultural goods and evolving consumption behaviours (section 3). This is followed by a description of our research objectives and proposed research model (section 4). We conclude by describing our planned activities for the next stage of the research project (section 5).

2 Affordances of Social Network Sites

SNS (e.g. Facebook) provide web users with an environment for both hedonic and functional social interaction and collaboration. SNS allow individuals to: (1) construct a public/semi-public profile within a bounded system; (2) list other users with whom they share a connection; and (3) view and traverse their connections and those made by others within the system (Boyd & Ellison, 2007, p. 2). These “egocentric” networks are structured around an individual who is at the centre of their own community, not according to topics or content (Boyd & Ellison, 2007). SNS have experienced an extraordinary growth in popularity, notably Facebook, which has over 500 million active users of which 50% use Facebook on any given day (Facebook 2010). Through SNS, users create and share a wide variety of content (Boyd & Ellison, 2007; Agichtein *et al.*, 2008) and embed content from other SM and web sites (Boyd & Ellison, 2007). As well as dedicated SNS, UGC-focused web sites (e.g.

YouTube) enable their users to share content in a social setting (Kumar, 2009). Indeed, SNS functionality is beginning to appear in desktop software, such as Apple’s iTunes (Apple 2010). Social media, and SNS in particular, can be differentiated from other web-based applications by a number of unique affordances (see table 1).

Affordances and Examples	Author
Connectivity and Social Rapport	
<ul style="list-style-type: none"> - Network/pervasive/mobile connectivity and interactions - Social and communicative tools - Profile management tools - Community influenced participation - Informal learning - Creative expressive forms of behaviour and identity seeking - Public & private messaging tools - Visibility of action & connections 	Boyd & Ellison, 2007; McLoughlin & Lee, 2007; Agichtein <i>et al.</i> , 2008; Russo & Peacock, 2009
Collaborative Information Discovery and Sharing	
<ul style="list-style-type: none"> - Data/content/knowledge sharing - Building/classifying/organising web resources/ bookmarking and folksonomy tools - Metadata creation/tagging - Contribution to web-based content and knowledge - Content/Photo/Video Sharing capabilities - Blogging tools 	Agichtein <i>et al.</i> , 2008; Boyd & Ellison, 2007; McLoughlin & Lee, 2007; Cha <i>et al.</i> , 2009; Russo & Peacock, 2009
Content Creation	
<ul style="list-style-type: none"> - Personalised content creation/assembling/organising/sharing (UGC) - Knowledge creation 	Agichtein <i>et al.</i> , 2008; McLoughlin & Lee, 2007; Russo & Peacock, 2009
Knowledge and Information Aggregation and Content Modification	
<ul style="list-style-type: none"> - Metadata and information aggregation for personalised needs - Content remixing - Content reformulation 	McLoughlin & Lee, 2007

Table 1. Social Media Affordances

3 Consumption of Cultural Goods

The creative industries encompass such fields as design, video games, fashion, music, TV, software, etc. (Potts *et al.*, 2008; Solidoro, 2009). Cultural goods have unique consumption attributes based on their nature which include experiential and hedonic characteristics. While utilitarian product consumption is goal-directed, hedonic consumption involves ‘entertainment’ and ‘enjoyment’ factors (Childers *et al.*, 2001; Holbrook & Hirschman, 1982). Cultural goods are differentiated because they are: (1) *experiential in nature*; quality is uncertain and may not be learned or measured even after consumption, (2) *subjectively meaningful*; there is no standard reference to compare tastes, (3) *culture dependant*; consumption of these goods expresses who people are and the social groups they belong to, and (4) *subject to individual preferences and taste*; people consume cultural goods according to taste but also as a part of a wider social and cultural matrix (Molteni & Ordanini 2003, p. 390-391). Demand for cultural goods is thus uncertain (Flew, 2002; Throsby 2003). The evolution of the Web and the growing use of social media affect these goods in significant ways. The creative industries have evolved with the “new knowledge economy” (Solidoro, 2009) and develop in conjunction with economic growth (Potts *et al.*, 2008). The consumption of cultural goods relies on “word of mouth, taste cultures, and popularity, such that individual choices are dominated by information feedback over social networks rather than innate preferences and price signals” (Potts *et al.*, 2008, p. 4). As a result the production and consumption of cultural goods is heavily influenced by social networks (Potts *et al.*, 2008). Thus the use of SNS have a notable role in the consumption of these goods.

Music, as an exemplar cultural good, has seen many industry upheavals, particularly in response to technological change. The Web has created many new challenges for the music industry and has

changed the way music is both produced and consumed (Lam & Tan 2001). Specifically, as technology evolved, the music industry has seen a move from traditional purchasing options (e.g. shopping for CDs in a physical store) to using online stores, communities and peer-to-peer networks (Beekhuyzen & Von Hellens 2008). Music it can be easily encoded in digital form and exchanged over the Internet (Lam & Tan, 2001), enabling people to share music and interact with music and each other in many new ways. As one of the main channels for information and entertainment is now the Internet (Gosain & Lee 2001; Lam & Tan 2001) new choices and ways of consuming are available. The social/cultural nature of these goods means that people are influenced by their network of connections and use different tasks to find and consume them. Cultural tastes are both displayed and shared across connections on a SNS, the list of interests – music, books, movies, television shows etc. –are used as an expressive arena for taste performance (Liu, 2007). Digital music and current Web capabilities have enabled new forms of consumption behaviour to develop. Not only is user generated content being shared in these SNS, they also allow users to interact directly with their favourite bands/artists. Social relations and culture are so intertwined it has become difficult to separate the two (Lewis *et al.*, 2008). The underlying motivation for consumers is not just utility or necessity; cultural goods are in essence luxury goods for fun and enjoyment, similar to the use of SNS. Erickson (1996) argues that personal networks are a major source of cultural resources and that network variety builds cultural variety. The expansive nature of SNS is therefore extremely relevant to the study of culture and cultural goods, and the capabilities of SNS are generating larger social networks with more dynamic and accessible content than was possible previously. It is important to study this phenomenon as the way people choose to use these technologies will shape how SNS will form.

4 Research Objectives and Model

The objective of this study is to understand the impact of social networking software on the consumption of cultural goods, specifically the affect of the functional affordances of SNS on the tasks associated with discovering cultural goods. The objective is operationalized through six research questions, as follows:

1. What are the functional affordances of SNS?
2. What tasks are associated with the consumption of cultural goods through SNS?
3. What is the effect of the *social affordances* on the consumption tasks?
4. What is the effect of the *content affordances* on the consumption tasks?
5. What is the interplay between the functional affordances of SNS?
6. What is the interplay between the consumption tasks of cultural goods?

The research model is portrayed in Figure 1, and discussed further in the next two sections.

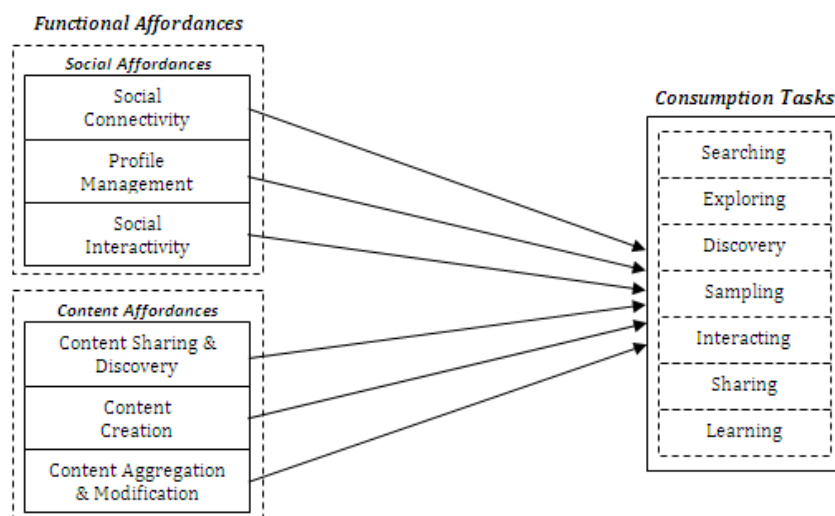


Figure 2. Research Model

4.1 Functional Affordances

Functional Affordances (FA) “are a type of relationship between a technical object and a specified user (or user group) that identifies what the user may be able to do with the object, given the user’s capabilities and goals” (Markus & Silver, 2008, p. 622). Following are the functional affordances of the research model split into Social FA and Content FA.

Social FA consists of the social capabilities of the IT artefact. *Social connectivity* in an SNS provides the users with the ability to link with other individuals in a system through both commonly held information and social contacts. *Profile Management* enables users of an SNS to manage their unique profiles and the organization of their personal information. On average a profile will consist of descriptors such as age, location, interests, friend lists, and a personal information section; it will also include the ability to display a profile photo, modify the profile display, and add multimedia content and modules/applications. *Social Interactivity* refers to the potential for users to communicate with social connections within an SNS. Users can communicate within the network via comments, posts, electronic mail, instant messaging, and rating of other communications. These communications range from open to private within the network and can be synchronous or asynchronous.

Content FA consists of the capabilities of the IT artefact for the creation, distribution, and retrieval of content. *Content Sharing & Discovery* refers to the potential for information dissemination along the social links in a social network. Content can range in modality from text, video, audio, links, photos etc. Sharing can be done through social interactivity with known connections or open comments to the entire community. Users may discover content in the social network from these social cascades. *Content Creation* enables users to create user-generated content (UGC). *Content Aggregation and Modification* is the ability for users to syndicate and aggregate content (audio, visual etc.) for personal needs.

4.2 Consumption Tasks

The consumption of cultural goods involves seven basic tasks: *searching, exploring, sampling, discovery, learning, interacting, and sharing*. *Searching* is defined as the process of gathering information and identifying purchase options (Lumpkin & Dess 2004; Holbrook & Hirschman, 1982). Search is goal-directed and is extrinsically motivated (Novak *et al.*, 2003). *Exploring* is a form of ‘overt search’ with an experiential nature, it is search as a form of play and constitutes ongoing search (Holbrook & Hirschman, 1982). Exploring is intrinsically motivated and is a part of search (Novak *et al.*, 2003) *Sampling* includes many different activities (Bounie *et al.*, 2005) and is used as a direct source of information and experience which decreases product uncertainty (Heiman *et al.*, 2001; Bounie *et al.*, 2005). *Discovery* is a reduction of uncertainty about the world through access to previously unknown information (Goodchild, 2000). *Interacting* refers to “descriptive aspects of social events in which persons participate” (Specht, 1986, p. 222). An interaction can be defined as “an action (or reaction) which passes from one human being to another” (Riva & Galimberti, 1998, p. 15). *Sharing* is defined as the exchange of information between individuals or groups (Cha *et al.*, 2007). *Learning* involves information acquisition and interpretation (Huber, 1991) and includes a feedback loop which exerts a strong impact on future discovery where satisfaction serves to reinforce future behavioural responses (Huber, 1991, Holbrook & Hirschman, 1982).

5 Planned Activities

Our project will use a multi-method approach comprising qualitative fieldwork followed by survey-based quantitative data gathering (c.f. Pinsonneault & Kraemer, 1993; Gable, 1994). The function of the qualitative data is to provide measurable constructs for the quantitative data collection, and will be gathered through 15-20 interviews to be conducted with university students born after 1982. These users are characterised as ‘Millennials’ and are highly relevant to the study of social media in that that social networks are central to their lives, and group mentality and social interaction impact on their

relationships with almost everything (Rosen & Sherman, 2006). The semi-structured interviews will focus on the research questions (section 4) and will use the research model as a framework. The interviews will be analysed using standard coding techniques (c.f. Miles & Huberman, 1994). In line with Eisenhardt (1989) the qualitative data will provide constructs for the quantitative method of collection, which will be a cross-sectional survey. This survey will be aimed at university students in the Millennial category also and the individuals will be the unit of analysis with a target sample size over 200 (c.f. Pinsonneault & Kraemer, 1993).

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