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ENTERPRISE MICROBLOG AS A NEW MARKETING STRATEGY FOR COMPANIES: ENTERPRISE MICROBLOG COMMITMENT AND BRAND LOYALTY

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Abstract

With the emergence and bloom of microblogging, companies are showing their increasing interests in this platform and try to establish their own enterprise accounts (called as enterprise microblogs in this case) in it, which enables them to broadcast product information, interact with consumers, and promote their brands. Despite much work focusing on how virtual brand communities take effect on consumers' loyalty in the area of IS and marketing research, this paper aims to explore how companies can take advantage of their enterprise microblogs to enhance consumers' brand loyalty. Our study aims to develop and empirically validate a brand loyalty model within the context of enterprise microblogs. In our framework, users' enterprise microblog trust and sense of community positively affect their enterprise microblog commitment, and then enterprise microblog commitment leads to brand loyalty as a result.

Keywords: enterprise microblogs, enterprise microblog commitment, enterprise microblog trust, sense of community, brand loyalty.

1 INTRODUCTION

Currently, microblogging has become a popular tendency on the Web and one of the most important social media tools. As a new form of communication, microblogging enables users to write brief text updates, in the form of micro-blogs (usually less than 140 characters). They can post micro-blogs about their life, work or anything of their interest that they are willing to share with others via instant messages, mobile phones, email or the web (Java, Song et al. 2007). Twitter is currently one of the most popular microblogging sites on the Internet. The number of Twitter' users has increased from 94,000 in 2007 to 200 million in 2010, and jumped up to 517 million before July 1st 2012 (SemioCast 2012).

Viewing the vast number of microblogging users, smart managers and companies have realized the potential marketing value of this new social medium and trying to make full use of it. Among which, establishing their own enterprise accounts (called as enterprise microblogs in this case) within the context of microblogging, is an effective channel for them to broadcast product information, interact with consumers, and promote their brands (iResearch 2012). Along with the explosive amount of ordinary users, the number of these enterprise microblogs is fast growing and some of them successfully own a great deal of followers (called fans). For instance, the enterprise microblog of adidas Originals on twitter has more than 246 thousand followers (iResearch 2012).

In this study, we view these enterprise microblogs as kind of virtual brand community, in which followers can communicate, sharing information and interact with other followers and microbloggers. Companies are able to promote their brands and enhance consumers brand loyalty by means of information and activities they provide within their enterprise microblogs.

Although enterprises have been attracted by microblogging marketing, there is little research on microblogging from a marketing perspective. Most findings focus on users' motivation to adopt and continue usage of microblogging (Java, Song et al. 2007), as well as factors that influence their participation (e.g. sharing, forwarding, or commenting micro-blogs) (Ha and Ahn 2011), or characteristics analysis with other types of social media (Tagtmeier 2010). It is crucial for us to notice that enterprise microblogs are influencing consumers' cognition and understanding of related brands. Similar with the impact of traditional virtual community on consumer loyalty, community commitment is a key issue and predicts the success of a virtual community (Gundlach, Achrol et al. 1995; Doney and Cannon 1997; Macintosh and Lockshin 1997). In the following sections, we will discuss how users' commitment towards these enterprise microblogs takes effect on their brand loyalty and what factors are related to their commitment.

2 BACKGROUND AND RESEARCH MODEL

2.1 Brand Loyalty

The development of brand loyalty has been a traditional objective for managers (Andreassen 1999). Oliver (1999, p. 34) presented a definition of brand loyalty as a strong faith coming from a high level of commitment "to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior".

Loyalty can drive brand recommendation to others and increase consumer retention (Jang, Olfman et al. 2008). If consumers are strongly loyal to a specific company, this company can gain important competitive advantages in marketing, such as reduced corporate marketing and transactional costs, increased cross-selling rate, a greater positive word-of-mouth effect, and reduced cost of failure (Griffin 1996). On the contrary, consumers with lower loyalty are more likely to search for alternative products (Tyebee 1979). Thus, brand loyalty is generally considered as a key strategic factor for obtaining and maintaining competitive advantage in marketing.

2.2 Enterprise Microblog Commitment

In recent years, the importance of commitment has been highlighted and strongly validated in relationship marketing studies (Gundlach, Achrol et al. 1995; Doney and Cannon 1997; Macintosh and Lockshin 1997). Commitment is conceptualized as “an enduring desire” between parties to maintain a valued and crucial relationship (Moorman, Zaltman et al. 1992), from which, it is believed that greater functional and affective benefits can be gained (Geyskens, Steenkamp et al. 1996). It can be characterized as individuals’ emotional bonds or positive emotional attachment (Allen and Meyer 1990). If customers are committed to a preferred brand (or a company), they will appreciate this valuable tie and assure the stability of a relationship (Anderson and Weitz 1992). Then, it is less likely for them to be attracted by alternatives. Therefore, commitment is taken as the source of a company’s enduring competitiveness (Reichheld 1996). A concept of “enterprise microblog commitment” is employed in order to describe enterprise microblog fans’ emotional bonds or positive emotional attachment to their preferred enterprise microblogs.

Researchers have shown that commitment is one of the important determinants of consumers’ brand loyalty and behavioral intention (Morgan and Hunt 1994; Garbarino and Johnson 1999; Pritchard, Havitz et al. 1999). A high level of emotional involvement or attachment to a virtual brand community will be likely to result in a high likelihood of users’ participation in the preferred community (Cheung and Lee 2009). Combined these findings with enterprise microblogs research, we have the following hypothesis:

H1: Customers’ commitment with an enterprise microblog has a positive association with brand loyalty.

2.3 Enterprise Microblog Trust

Trust is traditionally defined as a generalized expectancy involving partners’ future behavior by Anderson and Narus (1990). Doney et al (1997) presented trust as a thought of involving a “calculative process”, which predicted whether partners are willing to maintain a relationship according to their cost-benefit evaluation. Since human beings are rational and seek for the maximum value in every transaction, it is certain for consumers to prefer transactions with a company which offers the best value for them. Meanwhile, higher level of trust brings higher value in existing relationships, which in turn improves the quality of the relationships (Shemwell, Cronin et al. 1994). Prior literature on exploring and verifying the relationship between trust and commitment has been a long history (Moorman, Deshpande et al. 1993; Morgan and Hunt 1994). Internet environment is filled with asymmetric information exchange and uncertainty, as McDonald (1981) suggested, therefore reciprocal trust is extremely crucial for long-term and committed relationships. According to Hur et al. (2011), brand community trust was identified to have a stronger effect on brand community commitment. Since trust reduces uncertainty and reinforces relationships with customers at a cognitive level (Chaudhuri and Holbrook 2001), users’ trust toward enterprise microblogs can be seen as the their tendency to believe that a brand keeps its promise regarding performance (Füller, Matzler et al. 2008). In line with above discussion, enterprise microblog commitment seems to be influenced by enterprise microblog trust. Thus, we have the following hypotheses:

H2. Microblogging users’ trust toward an enterprise microblog will have a positive effect on their enterprise microblog commitment.

2.4 Sense of Community through Enterprise Microblogs

McMillan and Chavis (1986) conceptualized sense of community as members’ sense of belonging, feeling of self importance to each other, and a common acknowledge that members’ requirements will be satisfied by the commitment to be together. Four elements: membership, influence, needs fulfillment, and emotional connection are included in this definition. Compared with community commitment’s emphasis on each member’s attitude toward the community (Jang, Olfman et al. 2008),

sense of community lays stress on individuals' relationship with other members (McMillan and Chavis 1986). Users may develop sense of community during their high level of participation in enterprise microblogs. Enterprise microblogs, similar with virtual brand communities and blogs, could be implemented to facilitate discussion and interaction among their followers (Ajjan and Hartshorne 2008; Ellison and Wu 2008; Top 2012). Within enterprise microblogs, a sense of community could be formed by enabling followers to share and exchange their opinions and information on related brands with each other (Top 2012). Previous research has verified the positive association between sense of community and user satisfaction as well (Zhang 2010). Since commitment is defined as "an enduring desire" between parties to maintain a valued and crucial relationship (Moorman, Zaltman et al. 1992), we believe that higher level of a sense of community leads to higher level of belonging, which will result in higher level of commitment. Thus, we have the following hypothesis:

H3. Microblogging users' sense of community toward an enterprise microblog will have a positive effect on their enterprise microblog commitment.

In summary, Figure 1 presents our research model.

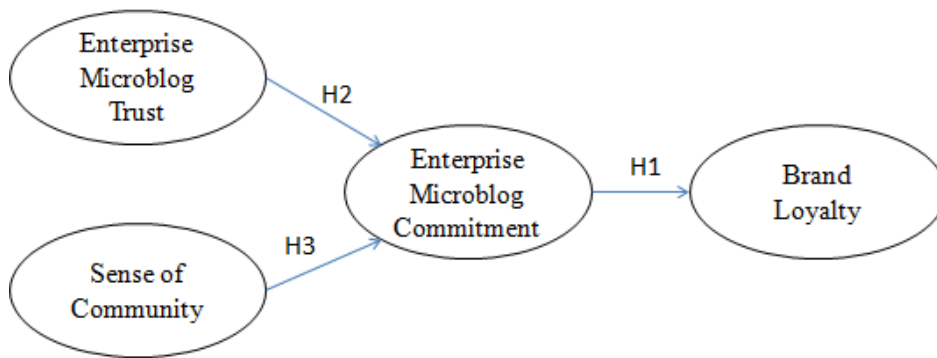


Figure 1. Research Model

3 RESEARCH METHODOLOGY

A survey will be conducted to test the hypotheses in the research model. We intent to test our research model in an existing microblogging platform, www.weibo.com, which is the most popular microblogging website in China. To reach potential respondents, we plan to broadcast our online questionnaire in many different enterprise microblogs. Lucky draw prizes will also be provided to increase the response rate.

Measurements for all constructs are adapted from prior literature (See Table 1). All constructs are measured using multi-item scales with seven-point Likert scales, from strongly disagree (1) to strongly disagree (7).

Construct	Item	Sources
Brand Loyalty	I will recommend to others about products of the brand.	Jang, et al.(2008)
	I will purchase products of the brand.	
Enterprise Microblog Commitment	I am very attached to the enterprise microblog.	Algesheimer, et al.(2005), (Jang, Olfman et al. 2008)
	Other fans and I share the same objectives.	
	I will visit this brand community continuously	
	If fans of this enterprise microblog planned something, I would think of as something 'we' would do rather than something 'they' would do.	
	I see myself as a part of the enterprise microblog.	
Enterprise Microblog Trust	I trust this enterprise microblog.	Chaudhuri and Holbrook (2001)
	I rely on this enterprise microblog.	
	This is an honest enterprise microblog.	
Sense of Community		Koh and Kim(2003) Zhang (2010)
Membership	I am proud to be a member of this enterprise microblog.	
	I enjoy being a member of this enterprise microblog.	
Influence	I am well known as a member of this enterprise microblog.	
	My postings in this enterprise microblog are often reviewed by other.	
	Replies to my postings appear in this enterprise microblog frequently.	
Fulfillment of Needs	I feel my needs (such as social and recreational activities) are met in this enterprise microblog.	
	I can get help in this enterprise microblog if I need.	
	Participation in this enterprise microblog is worth of my time.	
	Fans in this enterprise microblog look out for me.	
Shared Emotional Connection	I have the feeling of closeness in this enterprise microblog.	
	I get along well with other fans in this enterprise microblog.	
	I feel other fans in this enterprise microblog are friendly to me.	

Table 1. List of Measures

4 DISCUSSION AND RESEARCH PLAN

While recognizing the increasing prevalence of microblogging, the present research attempts to address that companies can establish their enterprise microblogs as a new marketing strategy. We plan to propose and empirically confirm that consumers' may develop brand loyalty if they develop high levels of trust and sense of community toward enterprise microblogs. Trust and sense of community will affect brand consumers' loyalty through commitment.

We expect that this research can provide important implications to both research and practice. For instance, this study is one of first ones that examine the determinants of consumers' brand loyalty in the context of enterprise microblogs. In addition, companies may benefit from the potential findings from this study. To enhance consumers' brand loyalty, companies are advised to take full advantage of enterprise microblogs. Moreover, they could try to increase consumers' trust and sense of community while maintaining their enterprise microblogs. As indicated in the research model, these efforts are expected to develop consumers' brand loyalty as a result.

Nevertheless, we need to point out that there are still limitations for this research. For instance, there may be some other important factors missing in the research model. Further research may consider the impacts of possible factors (e.g., consumers' information needs) and better enrich our understanding regarding how brand loyalty develops in enterprise microblogs.

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