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Online Behaviour of Social Media Participants' and Perception of Trust, Comparing Social Media Brand Community Groups and Associated Organized Marketing Strategies

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Abstract

The purpose of this study was to assess social media participants' perception of similarities and differences of the authenticity and trustworthiness of online advertising versus the authenticity and trustworthiness of respective online brand communities. We were looking at brand communities associated with Social Media that were formed on the basis of specific products or services. We further aimed to assess the trust individual participants in those brand communities obtain in contrast to information provided by companies and their marketing and public relations strategies. Our research then went beyond this comparative discussion in order to assess differences and similarities among individuals across different cultures. We believe that the connection between consumers may be stronger and perceived as equally or more trustworthy than the 'traditional' connection between an individual consumer and the information portrayed in marketing or public relations strategies by the company itself. We further believe that cultural differences in perceptions of trust may be minimal or non-existent.

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1. Introduction

"Social media is becoming an integral part of marketing communications. Therefore, it cannot be ignored by a successful company when setting its business strategy", Virtual world is coexisting with the physical reality, which

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can no longer be ignored. In the absence of the virtual world the society would struggle to ensure its stability. Business and marketing experience the impact of this virtual world (Svatošová, 2012). Social networking sites (SNSs) emerge as the most powerful media for advertising across the globe. Companies are shifting a larger pie of their advertising budgets towards social networking sites to better reach customers (Saxena & Khanna 2013).

SNSs have gained enormous popularity in recent years. The information sharing through such web-sites have provided a virtual environment which is filled with personal data, preferences, and interests. In order to better understand the use of SNSs for increasing business Wu, Hu & Zhang (n.d.) determined that web-sites like Facebook enable the businesses to expand their horizon and target the Facebook generation as their customers. While simulating various models to understand how to maximize the performance of advertising in social networks, the authors discovered that a combination of extensive advertising and mass marketing is better to diffuse advertisements. The strategy adopted by the advertisers to expand their customer base is described in the study conducted by Smith, Coyle, Lightfoot & Scott (2007). This study elaborated that, word of mouth (WOM) among consumers has become an important tool for marketers. For generating a positive response by their customers, they use social networks. The feedback provided by moderately connected members, in the form of advice or information, helps marketing specialists to promote their products through viral advertising. Customers tend to trust the feedback from other members of the same SNS. Weiss (2013) stated that Facebook is having plans to have its own external advertising network. This website would allow sharing of personal data collected from the Facebook web-site to feature ads on sites outside of Facebook. Facebook ads are already shown on Zynga.com, the new web-site will be an addition to Zynga.com. The SNSs are vast source of data as users actually tend to trust other community members identity and personal information. The information shared across social media platforms is vital to enterprises. However, the success of attempting to advertise relies on the level of trust that web-site members have with each other and with the service provider. Therefore, trust becomes an essential and important element in social network (Sherchan, Nepal & Paris, 2013). The first objective of this study aimed to assess the trust individual participants in those brand communities obtain in contrast to information provided by companies and their marketing and public relations strategies. Our second objective was to develop a comparative discussion in order to assess differences and similarities among individuals across different and cultures.

2. Literature Review

Social media can be a valuable addition for brand promotion if used properly. The intriguing aspect of social media is its wide spread of usage and world-wide influence. In order to comprehend the grasp of social media, the abundance of Internet accessibility, coupled with the benefits of retrieving and uploading information has spawned radical changes in education, business, government and entertainment. Studies offer insight into the evolution of usages in internet technology for numerous purposes, including Social Media. According to a report generated by National Center for Education Statistics (2006) in the use of internet among students about two-thirds of children in nursery school and 80 percent of kindergartners use computers, and 97 percent of students in grades 9–12 do so. About 23 percent of children in nursery school use the Internet, and this number rises to 50 percent by grade 3 and to 79 percent in grades 9–12. If we observe closely at the rate of evolution of social media, year 2009 the online social networking application Facebook registered more than 175 million active users, every minute, 10 hours of content were uploaded to the video sharing platform YouTube and, the image hosting site Flickr provided access to over 3 billion photographs (Kaplan & Haenlein, 2010). Similar growth in terms of users and information continued in the first quarter of 2011, when Facebook recorded an increase of 79 million users, going from 585 to over 664 million subscribers worldwide, according to Internet world stats. In the age of technical growth billions of people use social media websites as medium to share information and connect to one another. These websites are used by people all across the globe, providing a passage to connect different cultures. According to McLuhan & Powers, (1989) “The process that occurs when two or more cultures or cocultures exchange messages in a manner that is influenced by their different cultural perceptions and symbol systems, both verbal and nonverbal”. Social media has become an indisputable means to overcome cultural barriers and connect people from different backgrounds. The notion of a ‘network’ is based on trust and the creation of links and bonds between individuals, groups of people,

organizational departments or corporations, that leads to the creation of social networks (Wasserman & Faust, 1994).

Considering the extent of social networking sites (SNS) and its impact on people, the bond of trust is crucial. Electronic commerce research has found trust to be strongly related to information disclosure (Metzger, 2004). Trust is also a central component of social exchange theory (Roloff, 1981). Social exchange theory presents a cost benefit analysis with respect to social interaction. If the exchange is perceived to be beneficial, then the individual is likely to enter into an exchange relationship. Trust is believed to be used in the calculation of perceived cost. High trust would lead to a perception of low cost, and vice versa. Studies of interpersonal exchange situations confirm that trust is a precondition for self-disclosure, because it reduces perceived risks involved in revealing private information (Metzger, 2004).

Based on the strong foundation of the trust that SNS such as Facebook and Twitter have with their users, product marketing and brand publicity has higher rate of success. In an analysis of consumer responses to identical brand in 7 popular blogs and 7 popular online magazines, the result was that the blogs generated higher brand attitude and purchase intentions (Colliander & Dahlen, 2011). There are many big and small companies that aim social media to promote and market their products. Such a success story was reported by New York Times, a company increased its sales from 100,000 to \$4 million (Jaret, 2006). Such success stories have motivated and enticed large and small companies alike in their process for endorsing their products and services on social media. A study regarding the attitude of buying online real vs virtual items on SNS draws attention to the fact that there is no stable and relevant business model that can enable businesses to monetize the large user base of SNS (Cha, 2009). In an empirical study conducted in 2011, it was concluded that any exposure of business through SNS has increased the performance. By friending the potential customers on SNS, regardless of directional attribute followed to exhibit the product online. Social network commerce focuses on how e-commerce sway their online social activities to achieve a competitive advantage. For example the businesses focus to utilize various social media on e-commerce platforms to exchange knowledge with peers, and to establish and maintain friendship with peers and past and potential buyers (Qu, Wang, Zhang, 2013).

In a study by the market research firm comScore Inc., the e-marketer estimated that over 1.2 billion people around the world used SNS at least once per month as of December 2010 (Lipsman, 2010). They also predict that this number of users will increase to 1.5 billion internet users by the end of 2012. SNSs accounted for more than 20%, of all display ads viewed online, with Facebook and MySpace. The combining capacity delivered more than 80% of ads among sites in the social networking category (comScore, 2009). Comparing this with the results Q3 2013 advertising revenue, two leaders in the social-media namely Facebook and Twitter (substituted MySpace) have attracted an astounding 49 % and 71 % of their advertising revenue, from mobile platforms (comScore) (Fulgoni & Lipsman, 2014). These numbers show that SNS have become inseparable part of online experience.

The data is collected for this study comes from the users in Europe and the United States of America. Findings indicate that digital and social media have empowered consumers and that brands have an important role in facilitating conversations among consumers and themselves, openly sharing the values that will help consumers connect with them and with one another.

3. Methods

The purpose of this study was to assess social media participants' perception of authenticity and trustworthiness of online advertising versus the authenticity and trustworthiness of respective brand communities. We were looking furthermore at differences and similarities of those perceptions across national or cultural borders. For that purpose we distributed a questionnaire to 400 participants in France and the USA. The questionnaire contained a total of 21 items with a focus on the perceptions of reliability, credibility, and accuracy of both brand communities

and advertising on social media. The questions focused on trust in Facebook brand communities and their perception toward online advertising. The objective was to collect data from two countries and statistically analyze it. The authors are fluent in both English and French. They translated the English version into the French version. A local translation service in France was used to fine-tune the translation. This multilingual approach helps assuring the translation is accurate and valid in both languages. A cohort of students in France was given the document to pilot for consistency with the original version of questionnaire in English. After obtaining the IRB approval, two of the authors reviewed the questionnaires and disseminated them to students in the classrooms at their respective universities. A total of 200 students were targeted in each country. Out of 400 students who received survey, 355 provided valid responses to all survey questions. Students were not required to respond to the questionnaire as outlined in the IRB document. Nevertheless, most students responded and did not have any questions to the administrators of the instruments or the clarity of the questions in the instrument. The principal investigator was present in France at the time the survey was distributed there and then in US when the participants were taking the survey. The full process of obtaining survey responses started in 2012 and finished in 2013. To ensure the integrity of the data all the data was stored on the PI's department's secured server, only the PI and co-authors had access to the questionnaires and the database.

After the data was obtained and the analysis was done, In order to assert the reliability of the survey, Cronbach's Alpha test was conducted on the data set. The questions used in the survey were consistent and had the responses in the form of Likert scale with the format in form of strongly disagree, disagree undecided, agree and strongly agree which play a key factor in assessing the scale is one-dimensional. The scores obtained by the survey were correlated and the variability present in individual scores was tested using SPSS. The alpha (α) value in the test is 0.926 which indicated that the results of the questions asked in the survey demonstrated a high internal consistency. The result of the analysis is depicted in the table 1.1, where "N" indicates the total number of questions asked to each participant of the survey and the corresponding value obtained is 0.926.

3.1. Table

Table 1. Reliability statistics. Cronbach's Alpha value

Cronbach's Alpha	N number of items
0.926	21

4. Data Analysis

The total population chosen was 400 students from a French and an American university. The students were junior or senior level. The students were enrolled in a technology or business related major, as some literature suggested that positive effects of the use of digital technology and social media in education can be observed. The study referred to those students as iGeneration youths' that are particularly creative with respect to social media and show impeccable ability to create content (Ives, 2012). As students are more creative with social media, opinions they hold relating to marketing communications (brands and ads on Facebook), play a significant role in understanding the perceptions of trust on social media such as Facebook.

The response to the survey was 88.75% as 45 participants choose to opt out of the survey. The responses received for the survey were having 66.38% male participants and 33.62% of female participants. There was only one participant who opts to not disclose gender. There were 193 responses from ICN-Business school Nancy, France and 162 responses obtained from Illinois State University Normal, IL. In order to answer the research questions, the following hypotheses were designed:

4.1. Research Question 1

Are there differences in the perception of trust, validity, and credibility of social media between French and American participants?

In order to address this question, ANOVA tests were conducted to study the interaction between the groups (French students and US Students), based on a 21 item questionnaire. Out of 21 questions, 19 questions were having $p > 0.05$, and therefore demonstrated no statistically significant differences between nationality and their respective perception of trust, validity, and credibility. The data analysis is shown in the Table 2: See table 2

4.2. Research Question 2

Are there differences in the perception of trust, validity, and credibility of Brand Communities versus Advertising efforts by companies on social media?

In order to address this research question, a total of 10 paired samples t-tests were conducted based on the same 21 item questionnaire. Each pair compared items such as trust, validity, and credibility of online brand communities versus advertising efforts by companies on social media. Of the 10 pairs, a total of 8 showed statistically significant differences, indicating that the trust, validity, and credibility put into social media brand communities rated higher than the advertisement efforts of companies on social media (see Table 3).

The eight pairs that showed differences were all in favor of brand communities. All of these differences stem from higher ratings for the brand communities. This may be interpreted as an indicator that participants trusted their peers and their friends more than the information provided by the companies themselves. This further indicates that companies truly need to pay attention to the communications in the brand communities and social media. Successful companies have implemented or included social media communications in their Public Relations portfolio. Companies that are successful are those that are close to the customers and able to interpret and understand what the customers are looking for. Certainly, social media is not the only way that companies have used to create their Public Relations efforts, but the public relations efforts have certainly become more challenging, more diverse, less controllable, and in many cases more reflecting of customer needs.

5. Conclusion

The fact that of the 21 items only two of them showed some significance based on nationality is not surprising. The believe that the internet and social media makes the world a more even playing ground for all participants, without cultural, linguistic, or economic barriers is not new. These findings only prove one more time that this believe is becoming more factual with the advancing of more sophisticated tools to partake in social media. It is becoming more important for companies to have an online presence and to carefully observe what is going on in social media, such as brand communities. Product or service flaws that happen in one part of the world may not be hidden from the rest of the world since customers have more access, more power, and more ways to express their satisfaction or dissatisfaction than ever before. Furthermore, marketing strategies are no longer limited to any specific region; similar strategies may be duplicated across various cultures often only minor cultural adjustments may be needed. More research will be suggested with other regions of the world including Latin America and South Asia. Nevertheless, the fact that both respondent groups did show higher trust in Brand Communities is also not surprising. The Internet and specifically social media have certainly continued to flatten the world and helped to build bridges across cultures.

Appendix A. Data Analysis Table

A.1. Anova Table of trust on Facebook

Table 2. Anova analysis for trust

Questions	F	Sig.(p)
@1.Facebookadvertisingisreliable * Facebook	1.979	0.16
@2.Facebookbrandcommunitiesarereliable * Facebook	3.36	0.068
@3.Facebookadvertisingiscredible * Facebook	1.644	0.201
@4.Facebookbrandcommunitiesarecredible * Facebook	4.105	0.044
@5.Facebookadvertisingisaccurate * Facebook	0.567	0.452
@6.ThebrandcommunitiesonFacebookareaccurate * Facebook	3.968	0.047
@7.Facebookadvertisingishonest * Facebook	0.009	0.923
@8.ThebrandcommunitiesonFacebookarehonest * Facebook	2.373	0.124
@9.IffeelcomfortableusinginformationfromFacebookadvertisingwhenma * Facebook	0.021	0.886
@10.IffeelcomfortableusinginformationfromFacebookbrandcommunities * Facebook	0.29	0.591
@11.IamcomfortablerecommendingaproductorserviceIhaveseeninanadve * Facebook	0.166	0.684
@12.IamcomfortablerecommendingaproductorserviceIhaveseenonbrandc * Facebook	0.968	0.326
@13.Facebookadvertisingisaconvenientsourceofinformationaboutprod * Facebook	0.568	0.452
@14.Facebookbrandcommunitiesareaconvenientsourceofinformationabo * Facebook	1.867	0.173
@15.AdvertisingonFacebookmakesinformationaboutproductservicesim * Facebook	0.56	0.455
@16.Facebookbrandcommunitiesmakeinformationaboutproductsorservic * Facebook	1.158	0.283
@17.Facebookadvertisinginformsmeofthelatestproductsorservicesoru * Facebook	0.036	0.849
@18.Facebookbrandcommunitiesinformmeofthelatestproductsorservice * Facebook	0.642	0.423
@19.Facebookbrandcommunitiesproviderelevantinformationonproducts * Facebook	0.109	0.742
@20.AdvertisingonFacebookhelpsmegetthelatestpromotionaloffersonp * Facebook	0.256	0.613
@21.Facebookbrandcommunitieshelpmegetthelatestpromotionalofferso * Facebook	1.253	0.264

A.2. Paired Question T-Test

Table 3. T-Test

Questions	Pair	Mean	Participants	Std. Deviation	Sig. (2-tailed)
Q1: Ads on FB reliable Q2: Brands on FB reliable	1	2.6225, 2.9295	355	0.9878, 0.9255	0
Q3: Ads on FB credible Q4: Brands on FB credible	2	2.6478, 2.9633	355	0.9727, 0.9090	0
Q 5: Ads on FB accurate Q 6: Brands on FB accurate	3	2.8957, 2.9633	355	1.0645, 0.9244	0.179
Q 7: Ads on FB honest Q 8: Brands on FB honest	4	2.3746, 2.7492	355	0.9465, 0.9277	0
Q 9: Purchase decisions made using info in Ads on FB Q 10: Purchase decisions made using info of brands on FB	5	2.1408, 2.4873	355	1.0455, 1.05323	0
Q 11: Recommend product/service Q 12: Recommend product/service seen on brands on FB seen in Ads on FB	6	2.2788, 2.5464	355	1.0621, 1.0840	0
Q 13: Ads on FB convenient source Q 14: Brands on FB convenient source of info on products/services	7	2.6169, 2.8169	355	1.1496, 1.0723	0
Q 15: Ads on FB provides info on products/services accessible		2.9521, 3.0338	355	1.0579, 1.0571	0.073
Q 16: Brands on FB provides info on products/services accessible	8				
Q 17: Ads on FB informs about latest products/services		2.7549, 2.9070	355	1.0888, 1.0602	0.002
Q 18: Brands on FB informs about latest products/services	9				
Q 20: Ads on FB provides promotional offers on products/services Q 21: Brands on FB provides promotional offers on products/services	10	2.6, 2.7042	355	1.0803, 1.1046	0.019

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