Effect of Social Networking Sites on Consumer Engagement Through E-Wom: A Critical Review of Empirical Studies

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Abstract: Last two decades witnessed technological innovations and rapid globalization that has not only affected individuals but also changed the business landscape and the focus has shifted to exploring and understanding consumers (Iva, Tihomir, Dobrini, 2011). Businesses are realizing that by using right and timely information about their consumers, they can gain competitive advantages in their business and that social networking sites (SNSs) can serve as an effective medium for reaching out to consumers by engaging them through real time communication, and attractive and constantly updated content. SNSs enable two way communication and consumers are able to provide feedback to the businesses and also articulate and share their opinion about products, services and brands through electronic word of mouth. The present study is an attempt to document and interpretation the findings from relevant studie (SNSs) consumer engagement, electronic word of mouth, social media s that have appeared in major publications in the context of role of SNSs in consumer engagement through electronic word of mouth. The researchers expect to that the paper will be of immense help to researchers in the area.

Keywords: Social Networking Sites

Introduction

Technology has changed the way we live; we live in an era where imprint of technology is everywhere. Today we find jobs through naukri.com. beyond.com, monster.com and buy products and services via different shopping websites (e.g. Snapdeal and Flipkart). According to Mcluhan (2003) and Scolari (2012) the effects of technology "do not occur at the level of opinions or concepts, but alter sense ratios or patterns of perception steadily and without any resistance". In fact, social media marketing is primarily concerned with the effective use of media to redesign yesterday's marketing strategies. Since 2011 social media has transformed into social business. Companies that have embraced social media are leveraging on its benefits and consider social business as a B2H (Business to Human) though some of researchers like Borges (2012) call it H2H (Human to Human).

Social networks are important for marketers as well as consumers. Earlier, customers had difficulty in accessing information about the products but now-a-days even kids easily employ Internet based tools when searching for information regarding products and services. Social networks have become a powerful marketing communication tool in the global economy. Marketers devote their time and resource to make rapport and trust with consumers through social networking sites (Kown & Sung, 2011). The social networks are providing awareness, personal branding and marketing which include; knowing people deeply, high level of participation, and visibility of organization.

Social networks are also helping engage the consumer by way of electronic word of mouth. This innovative approach has caught the fancy of marketers attempting to reach out to their consumers. To provide deeper insights to marketers, organizations, consumers as well as researchers wishing to know more about this domain, through the present study, researchers have extensively surveyed literature pertaining to social networking sites, consumer engagement, and electronic word of mouth in the context of different countries (e.g. Bowden, 2009; Vivek, 2009; Brodie, Ilic, uric & Hollebeek, 2011a, b; Chu, 2009; Alkhateeb, Moussa & Alli, 2012; Reitz, 2012).

Literature Review

Social Networking Sites (SNSs)
SNS is a tool which helps people to stay connected with each other and it is a virtual communication. SNS is web based services which allows the users to have profile privacy and provides the environment where different people can stay connected, articulate, share information and comments with each other; and also get to know new people (Boyd & Ellison, 2008). Boyd & Ellison (2008) defined social networks as "web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system." It's one of the biggest trends in 21th century with users of SNS sharing large amounts of information about themselves on such sites which help marketers to use it for their benefit and develop promotional messages based on the needs of the consumer. Social networking sites like Facebook have grabbed the attention of researchers as well as marketers. Also it attracts number of consumers by letting them to articulate and share their ideas and engage in social interactions in a dynamic, interactive, multi-modal form over the Internet (Boyd & Ellison 2008). According to Hennig, Friege, Gensler, Lobschat, Rangaswamy & Skiera, (2010) social network sites like Facebook, YouTube, Google and Twitter in recent years have enabled consumers to play active role in market and reach almost everyone, anytime and everywhere. It has also provided opportunities for growth of embrace new adaptive consumer centric strategies. Overall, SNSs have to be a reliable medium of communication which is quick and relatively very efficient and is not considered to be intrusive.

Social Networking Sites and Consumers Engagement
With the emergence of social media and social networks, consumer engagement is in focus. Consumer engagement is "an outcome of repeated interactions that strengthen the

emotional, psychological, or physical investment a customer has in a brand" (Mollen & Wilson, 2010, p. 919). According to Reitz (2012) for engaging the customers, marketers have been designing web pages in different social media to activate customer participation. For measuring the success of online marketing, customer engagement is playing an important role. Consumer engagement represents imperative strategy in a dynamic and interactive business environments, and may have positive effect on sales growth, profitability and may offer superior competitive advantage (Neff, 2007). Customer engagement helps in providing recommendations for specific brands, products, and services to others. This concept has become popular during the last decade due to large number of conferences, seminars, group discussions and empirical researchers that have been conducted in this domain.

Although consumer engagement is not a new concept. It was considered to be part of effort on the part of marketers in the context of customer relationship management. However, presently consumer engagement as a concept is being associated more with digital marketing, SNSs and communication between consumers and corporations (C2C). Consumer engagement is a new term within online marketing context therefore there is a need to explore the relationship between online consumer engagement and its effect on branding and other marketing activities. Marketers believe that online consumer engagement can help build relationship between consumers and companies and it can have a positive impact on brand loyalty, brand advertising, brand identification and sales (Rappaport, 2007; Reitz, 2012). There are companies that are effectively using online consumer engagement as a tool to build differentiate their brands and gain competitive advantage (Jakste and Kuvykaite, 2012).

Consumer Engagement and Electronic Word of Mouth (WOM)
WOM plays a major role in consumer buying behavior decisions and it is the process of exchanging information between people typically through conversation and usually between those who knows each other (Kawakami, Kishiya & Parry, 2013). WOM includes consumer sharing of attitudes, reactions about businesses, opinions, products or services to people. It is also known as buzz marketing, viral marketing, social media marketing and guerilla marketing. WOM can be positive or negative, the negative WOM helps companies to improve themselves and positive WOM is unconscious promotion given from customers to companies. The function of WOM is mainly related to spreading awareness for the new products in a market.

WOM is the world's most effective but least understood method in marketing strategies. WOM is considered as informal, unpaid, oral, noncommercial and interpersonal communication between two or more people who are connected by any verbal communication channel (Petrescu & Korgaonkar, 2011; Trusov, Bucklin & Pauwels, 2009). For nearly half a century, WOM has been designated as "one of the most important, if not the most important source of information for the consumer" (Arndt, 1967). With the rapid development of Internet, electronic WOM came up as a developed form of WOM. Electronic Word of Mouth or eWOM is a type of WOM with slight difference; it can be observed in different online social channels, in the form of a product review, emails and discussion forums. It plays a pivotal role in the way consumers are

interacting with each other on online platforms (Brown, Broderick, & Lee, 2007). Social networks are a great opportunity for online consumers for exchanging their information with their networks of friends and family (Petrescu & Korgaonkar, 2011); even their individual opinions and experiences about companies' brands, products, and services (Ong, 2011; Colvin, 2013). Others have defined eWOM as the ability of consumers to exchange information online (Liu, 2006).

Vivek (2009) suggested a scale of consumer engagement and posited that consumer engagement is three dimensional construct, which are of second-order, composed of enthusiasm, conscious participation and social interaction. Vivek (2009) also differentiated other constructs which are similar to engagement i.e. customer participation, co-creation and co-production, brand communities, involvement, attachment and consumer devotion. Chu (2009) focused on five social variables; social capital, tie strength, homophily, trust and consumer susceptibility on interpersonal influences which are related to electronic word of mouth in the context of social networking sites. Reitz (2012) studied about online consumer engagement and behavioral process of consumers in comprehending features on companies' in social networking sites and how it leads them to loyalty and repurchase of products. Brodie, Ilic, Juric and Hollebeek (2011) studied consumer engagement in virtual brand communities and according to them dimensions of consumer engagement are cognitive, emotional and behavioral.

Despite several attempts to understand and explore, still there is no specific way to measure consumer engagement in the context of SNSs; also most of the extant studies were conducted in developed countries and thus there is a requirement to conduct such studies in developing economies like India. There is a huge market for social media in India and growing population of youth is using social media to discuss and share opinions about products and services and are also themselves getting influenced in the process through eWOM. These developments offer opportunities for marketers and academicians to carry out researches to have a better understanding of social media usage behavior in India. This can go a long way in developing better market segmentation strategies and may also help researchers in adopting right methodology and suggest better measurement scales.

Discussion

ComScore which is considered as a leader in measuring the digital world reported that 84 percent of Internet subscribers in India are users of SNS. After US, China, Germany, Russian Federation, Brazil and the UK, India ranks seventh in terms of use of social networking sites for marketing purposes (Das & Shankar Sahoo, 2011). In 2010, Facebook had subscriber base of 20.9 million and was considered as being on top among SNS in India. Also during 2009-10, users of social networking sites in India increased by 43 percent (Comscore, 2010).

Being connected is inherent to Indian culture and with the advances in technology, Indians seems to be effortlessly engaging with others through technology enabled

platforms (Shukla, 2011). In 2010, Twitter was the 6th largest SNSs in India while in 2008 it wasn't that popular. Presence of Indian users in July 2010 on YouTube and Flicker respectively was about 15.5 and 1.91 million users. Social media started its significant role in the field of promotion for brands, movies and TV shows and about 156 million blogs, online videos and podcasts started up to be staples for marketers (Shukla, 2011). Therefore, India can prove to be an attractive and paying market for companies willing to invest for their success; but it is important to understand their requirements, as it is vital for the success of the new product development and retaining the consumers. The attempt of present study is to contribute to a better understanding of how consumer engagement happens in SNSs by reviewing extant studies.

Studies have been conducted in other countries but there is a pressing need for studying online consumer engagement as "SNSs have become one of the largest online platforms in the world for sharing real time information" (Kumar & Kumar, 2013). Companies have started to pay more attention towards understanding customers and their behavior. They have realized that by using the right information about their customers, they can gain a competitive edge (Hennig *et al*., 2010). Social media provides the opportunities to reach out to consumers by active real time bi-directional communication, and constant updation of content. Consumer articulation in social media is more 'active' if the online consumer engagement is successful. Social networks provide the new opportunity of two way communication, and through the networks like Facebook, Twitter and other networks, customer are able to give feedback and also articulate with other customers about the same products/ services (Deighton & Kornfeld, 2009).

Consumer engagement is important in both strategic imperative to make and sustain a competitive advantage as well as valuable sources to predict the future business performance (Sedley, 2008). It plays a key role in the current market and it's really important for the introduction and development of new products and services. Satisfied customers are self-involved in promoting the companies' products which are playing a significant role as these kinds of consumers are spreading their experience to the other consumers. Therefore, it helps companies' promotional investments.

WOM is divided in positive and negative WOM. Positive WOM is the satisfied behavior consumers feel after consuming; and negative WOM is the dissatisfied behavior consumers experience after consuming. It also can manifest as complaint or sharing of bad experiences with other consumers (Singh, 1990). The positive WOM improves productivity of marketing because WOM often extends the effects of advertising (Hogan, Lemon & Libai, 2004). Also Boulding, Kalra, Staelin & Zeithaml (1993) posited that the positive WOM enhances the reputation of business and benefits that accrue, which ultimately results in gaining of new consumers. Though positive and negative WOM are similar from the behavioral point of view, but they greatly affect the brand purchase decisions of consumers (East, Robert, Hammond & Lomax, 2008). Companies can't stop consumers from sharing the negative eWOM but they can reduce it by enhancing the relationship between the consumers and employees, improving the quality of the product or other needful strategies which contribute to image building for the company and reduces the negative WOM (NWOM) and creates positive WOM (PWOM) among their

consumers in online platforms. According to Sundaram (1998), motives for engaging NWOM are altruism, anxiety reduction, vengeance and advice seeking and for PWOM are altruism, product involvement, self enhancement and helping the company.

Table 1: Summary of reviews related to consumer engagement

Author/ Country of study	Journal	Year	Title	Area	Remark
Brodie, Hollebeek, Juric and Ilic/ New Zealand	Journal of Business Research	2013	Consumer engagement in a virtual brand community: An exploratory analysis	Brand	Engaged consumers promoted consumer satisfaction, loyalty, connection, emotional bonding, empowerment, trust and commitment.
Brodie, Hollebeek, Juric and Ilic/ New Zealand	Journal of Service Research	2011	Customer Engagement: Conceptual Domain, Fundamental Propositions, and Implications for Research	Relationship marketing and Service dominant	Fundamental propositions derived from the literature used to provide definition of consumer engagement and differentiate the concept from other similar concepts like participation and involvement.
Bowden/ Sydney	Journal of Marketing Theory and Practice	2009	The Process of Customer Engagement: A Conceptual Framework	Customer-brand relationship	Redirected satisfaction to an approach that covers understanding of the role of commitment, involvement, and trust in the achieving of engaged and loyal consumers and provided conceptual framework for segmenting customer–brand relationships.
Doorn, Lemon, Mittal, Nass, Pick, Pirner & Verhoef	*Journal of Service Research*	2010	Customer Engagement Behavior (CEB): Theoretical Foundations and Research Directions	CEB	Developed conceptual model of the antecedents and consequences of consumer, firm and societal of CEB.
Jakste & Kuvykaite/ Lithuania	Electronic International Interdisciplinary	2012	Consumer Engagement in Social Media by Building the Brand	Brand	Analyzed consumer engagement in brand equity building in social media from consumers and companies' propositions.

	Conference				
Ren, McMellon & James/ USA	International Journal of Business Research	2013	Customer commitment and engagement towards retail stores: Exploring gender differences	Retail stores	Gender differences are different from the demographic variables
Chu & Kim / USA	International Journal of Advertising	2011	Determinants of consumer engagement in electronic word-of-mouth (eWOM) in social networking site	Online social websites	Determined Tie strength, homophily, trust, normative and informational interpersonal effect as an important antecedent to eWOM behavior in SNSs.
Hollebeek/ New Zealand	Journal of Strategic Marketing	2011	Exploring customer brand engagement: definition and themes	consumer brand engagement	Defined consumer engagement as "the level of a customer's cognitive, emotional and behavioral investment in specific brand interactions." And identified three key of CBE themes as immersion, passion and activation.
Vivek/ US	Minor research work	2009	A scale of Consumer Engagement (CE)	CE	Defined three dimensions for CE, composed of Enthusiasm, Conscious participation and social interaction
Reitz/US	Minor research work	2012	online consumer engagement: understanding the antecedents and outcomes	Consumer behavior in Social media	Used Facebook for testing online consumer engagement framework and studied about loyalty and repurchase of the products in social networking sites
Hollebeek/ New Zealand	Journal of Marketing Management	2011	Demystifying customer brand engagement: Exploring the loyalty nexus	Brand	Developed tripartite consumer brand engagement conceptualization containing activation, identification and absorption dimensions.

Conclusions

Marketing is a dynamic field and it keeps changing with technology and innovation. The strongest companies are those who keep themselves abreast of the current changes and are more proactive than their competitors in trying to address the needs of consumers. Changing the communication method between consumers and company is the need of the hour for the companies due to the emergence of SNSs. Rapid developments in the area of Internet based technologies and platforms have greatly facilitated eWOM. The present study highlights the contributions of earlier researchers in the domain of social media, social networking sites, consumer engagement and finally eWOM; and highlights their importance in present day business world as also their effect on buying behavior of consumers. While introducing new products, companies ought to effectively use the power of eWOM and put in place consumer engagement strategy which can significantly boost sales providing an edge over competition. Marketers need to take note that consumers trust other consumers more when information is shared through eWOM in comparison to information gleaned through advertisements.

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