

Fan Page Engagement within Social Media and Marketing Implications

N.NimanthaLiyanage, R.A.S.Weerasiri

Doctoral Student University of Kelaniya, Sri Lanka

Senior Lecturer University of Kelaniya, Sri Lanka

Corresponding Author: N.Nimanthaliyanage

ABSTRACT: *Appreciating the massive evolvement of social media mainly the popularity of Facebook globally, the purpose of this study is to identify the face book fan page activities that have impact on the purchase decision of the consumers. As per the arguments consumer engagement in social media impacts on consumer purchase intention. Although many companies spend for face book and fan page activities and the outcome of it is still challenging globally as well as for Sri Lankan companies. The paper reviews the literature on fan page engagement and its relationship on customer purchase intension. Further this study focuses on exploring main components that consumers enjoy most on face book fan page which drives them to purchase the particular product. The research followed literature review as the main research strategy whilst specific attention was made to few case studies explaining cases and practices. Accordingly, the paper investigates the concept of trust, value co-creation and eWOM (Electronic Word of Mouth) in relation to the impact they make on purchase intention. The paper concludes with recommendations for Sri Lankan companies and with directions for future research.*

Key Words: *eWOM, Fan Page Engagement, Purchase Intention, Social Network Sites (SNS), Trust, Value Co-creation*

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I. INTRODUCTION

A Facebook fan page is a public profile specifically created for businesses, brands, celebrities, causes, and other organizations. These pages attract “fans” who are the people that click the like button of the page. Facebook facilitates its pages can gain an unlimited number of fans. The fan page works similarly to personal profiles, providing information to the users through different methods such as statuses, links, events, photos and videos. This information appears on the page itself, as well as in its fans' personal news feeds.

Purchase intention (PI) or intention to buy is what buyers think that they would purchase. Scholars have defined it in several ways. Shabbir, Kirmani, Iqbal, & Khan (2009) declared PI as the individual's awareness on making an attempt to buy a particular brand (Shabbir et al. 2009). It was again defined as “what we think we will buy” (Park, 2002). The factors defining the PI of the customers is being researched throughout the history of marketing. It may have influenced by demographic factors as age, gender, profession and educational level. Further cultural dimensions, product type and price are the factors that define the PI when buying personalized products through online purchase (Moon, Chadee & Tikoo, 2008). PI was also being defined as the decision to act or the psychological action that one may have towards a specific brand or product (Wang & Yang, 2008).

Web 2.0 along with the social networking sites (SNSs) are the mostly used marketing media at present (Yan 2011). SNSs facilitate direct engagement with customers and brand messages/ posts (Schultz, 2017). Facebook, Instagram and twitter are reported as the most commonly used social media platforms and in 2018 Facebook counted for 94%, Instagram 66% and twitter 62% (Stelzner., 2018). When it comes to SNS in marketing, the strongest is Facebook and the percentage is very significant 94% which is followed by Instagram at 66% (Stelzner, 2018). In the social media marketing research of 2018, 48% has agreed that the social media marketing is affective. For four consecutive years increased exposure and increased traffic has identified as the top two benefits of social media marketing. In 2018 the increased exposure has indicated as 87% while increased traffic came as the second major with 78% (Stelzner, 2018). 97% of B2C marketers are focused on Facebook. Besides the statistical information scholars also found that Facebook as the mostly used SNS by the consumers and businesses (Schultz, 2016).

Facebook fan pages have become an extremely prominent marketing channel as it supports to increase the sales (Chetna, 2016). It is proven that Facebook fan pages improve the web traffic which finally leads to an increase of B2C communication and sales (Rahman, 2018).

The ways of which SNS's creates social relationships through communities as fan pages in social media platforms which gradually leads to the purchase intention is a dominating study in marketing related research (Hsu, 2017; Kim & Ko, 2012).

This study particularly aims to study about the Facebook which a networking site is initially created to be connected with the friends and contacts then has evolved to create groups and fan pages for businesses and organizations for millions of users. There are various types of social network platforms and fan pages create a brand community that transform traditional one-way brand communication models into a relational two-way approach of communicating (Hsu, 2017).

1.1. Purpose of the Study

The study addressing the effectiveness of social media marketing activities and particularly the fan page engagement on purchase intention. Literature of the previous studies of similar nature has suggested that there is a need to study the reasons for purchaser needs and the internet-based life exercises. (Siriwardana, 2018). Additionally, Ang (2011) has suggested extended investigations and evaluations on different relationship tools such as social media's effectiveness on creating a customer relationship management (CRM) (Ang, L., 2011). Further, Siriwardana & Dissanayake (2018) also proposed the studies to be carried out to evaluate the effectiveness of consumer behavioural outcomes through modern CRM such as social media (Ang, 2011; Siriwardana & Dissanayake, 2018).

Therefore, this study intends to find out the impact of Facebook fan page on different marketing implications. It is observed that most of the business organizations in global as well as in Sri Lanka spending on social media activities and promoting their products through the Facebook fan page, but measuring its impact remains challenged for most Sri Lankan companies. This study will benefit to the companies that uses Facebook fan pages to reach to its customers to improve their communication mechanisms.

1.2. Methodology

When the number of internet users and particularly the SNS users increases, it becomes necessary to find out the factors influence the purchase intention pertaining to SNS. Since most of the companies nowadays use Facebook fan page to attract and interact with their consumers it plays a major role among the various social media marketing channels. Thus, paper addresses to empirical arguments and practice gaps found in the context of Facebook fan page engagement with consumer purchase intention. This paper follows deductive approach in which arguments and explanations are mainly supported by empirical evidences and associated with theoretical contents. Journal articles and industry publications were reviewed to serve the purpose.

Literature review was being considered as the main research tool. The study analyses the main three components in fan page which are trust, value co-creation and eWOM's impact on consumer purchase intention through a thematic analysis using existing literature. It will further conduct an empirical review on realistic cases of some global and Sri Lankan companies to provide better understanding on how consumer purchase intention is impacted through fan page engagement. Finally, the paper is concluded with proposing future research directions in line with the synthesized discussion.

II. LITERATURE REVIEW ON THE COMPONENTS ON PURCHASE INTENTION

Different scholars identified different variables as influential factors for consumer purchase intention. Price, quality and information availability are mainly argued factors. However, Lu, Fan & Zhou, (2016) on their study on multi-dimensional model of social presence has argued that social presence and trust in sellers has a positive impact on consumer purchase intention (Lu et al 2016). Trust, value co-creation and eWOM has considered as the main factors that makes the Facebook fan page an interactive one which finally drives consumers to purchase the goods.

1.3. Trust

Trust generates the feeling of affirmation and affirmation is the fundamental on formation of a relationship or partnership through verifying the evidences (Giffin, 1967). Trust is the expectation and it has a direct link to one's purchase intention. Consumers purchase a product trusting it would satisfy their needs. It reduces the uncertainty on situations and business relationships as well (Award & Ragowsky, 2008). Trust is when one accepts the advices of another where they depend on the others and it is an important antecedent of a behaviour (McKnight, Choudhury, & Kacmar, 2002). Anyhow in virtual platforms the consumers cannot see or touch the product as it is in traditional purchasing scenario and yet they purchase by trusting the recommendations and judgements provided by other users who may or may not be known to them. Therefore, trust is a must when establishing interpersonal relationships, particularly in situations where consumers purchase through on line which is considered as risky environment (Ba & Pavlou, 2002).

Findings of Lewis & Weigert (1985) and McAllister (1995) confirms that interpersonal trust comes through cognitive and affective methods (Lewis & Weigert, 1985 & McAllister, 1995), and when considering the networking on SNSs the trust is resulted from social interactions through the dynamic interactions of the fans of Facebook page organisations can improve the customer satisfaction and strengthen the customer relationship (Gamboa & Gonclaves 2014)

1.4. Value Co-Creation

Value co-creation is when the organization and the consumer co-create values through interacting with each other (Pralhad & Ramaswamy 2004). The SNS and particularly the fan pages facilitate the value co creation interaction in a greater deal. As it is a platform that enables the customers to communicate with each other, to share their experience and knowledge which makes them active partners in the process of co-creating value (Pralhad & Ramaswamy 2004).

Value is co-created together with customers by the organizations and it is assessed on through the value-in-context (Edvardsson, Tronvoll & Gruber 2011). The features on social media such as 'like', 'comment' and 'share' are value co-creation mechanisms in SNSs and these interactions depend on the features and characteristics of the posts (Beukeboom, 2015).

The value co-creation is strongly linked with the consumer engagement. According to Brodie Hellebeek, Juric & Ilic (2011) there are main five aspects to it. Consumer engagement reflects by the psychological state of the customer occurred through the features such as interaction, co-creation of the customer experience with the particular good/ service/ brand. The second aspect explains the mechanism of creation the consumer engagement which is only through a dynamic and interactive relationship. Third they say that no relationship is isolated, and they are interdependent. The fourth component says that the customer and organisation reflect various cognitive, emotional and behavioural dimensions. Final and the last aspect is that it differs from individual to individual and situation to situation (Brodie et al., 2011).

1.5. Electronic Word of Mouth (EWOM)

According to Henning, Gwinner, Walsh & Gremler (2004) "any positive or negative statement made by a potential, actual, or former customer about a product or a company, available to a multitude of people and institutions via the internet" (Henning et al., 2004).

Word of Mouth is regarded as the most economical and effective method of marketing in both tangible and intangible products, this method is being facilitated by social media in greater deal (Mosavi.S.A., 2013). The word of mouth effect and activities on social networking sites are called as Electronic Word of Mouth (EWOM). Hence the credibility of EWOM can be defined as the customer recognise the product information, reviews and recommendations are truthful (Cheung, Luo, Sia & Chen, 2009).

There are different forms of EWOM created by business organization or user themselves or combining the user and business organization., Hu et al., (2014) has categorised EWOM to four main categories, which are specialised EWOM, Affiliated EWOM, Social EWOM, and Miscellaneous EWOM. Specialized EWOM is for the platforms who does not engage in selling but creating dialogs about it. It reviews the customer's opinions and reviews and help the future customers to compare the products or services. Affiliated EWOM is when the customer reviews are affiliated with the retail website as amazon or eBay. Social EWOM: refers to Social EWOM is when the users exchange information about brands and products. Miscellaneous EWOM refers to the information exchanged in not much popular SNS such as blogs and discussion boards (Hu et al., 2014).

Cheung, Lee and Thadani (2009) has found that positive EWOM provides several benefits such as creating a positive relationship between consumer and organization, building a strong emotional trust, increase the intention to purchase and also improves the perceived integrity and attitude (Cheung et al., 2009). Better results can be gained only if the receivers accept the EWOM and personal attributes also affect acceptance of it (Fan & Maio 2012). The customers determine the EWOM quality through their expertise knowledge and through the involvement of themselves and others (Bansal, and Voyer, 2000).

Previous studies have found out that when the EWOM sender is a family member or friend who has a close connection with the reviewer they tend to trust it more (Bansal & Voyer, 2000). Even they trust the EWOM senders if there is perceived level of similarities which was described as rapport between the sender and receiver. The rapport can be identified through the preferences, tastes and the life style which is clearly visualised in social media platforms (Smith, Menon, & Sivakumar, 2005). The existing literature provides evidence to say that the trust, value co-creation and EWOM works hand in hand on building the purchase intention.

III. DISCUSSION

Yan (2011) in his study has observed the growth of the fashion designer and TV presenter Tamsin Cooper's Facebook fan page. The fan page was set up in the beginning of 2010 and had attracted more than 1000 fans within a year and the fan page was her gateway in to international marketing and it allowed her to directly communicate with the clients (Yan, 2011).

Zara, the branded and well reputed retail chain ranks as one of the fashion brands with the largest number of fans (Gamboa & Gonclaves, 2014). Worth the estimated value of a Zara fan as \$405.54, followed by H&M whose fan of worth of \$306.08 where Coca-Cola fan is worth only \$70.16 (Syncapse 2013, as cited by Gamboa et al. 2018). Zara has positioned itself as an affordable luxury in fast fashion industry whom has pioneered to position in such a way. Zara has imitated the latest fashions and produced it for cheap and made available in high end stores (Inditex, 2019). Yet surprisingly the Facebook fan page of Zara was not that successful, the majority of fans participate on fan page activities but never purchases and it was found that the most individuals have never bought from Zara from a communication on Facebook fan page. It was argued that the Zara Facebook fan page should have exhibited more diverse offerings to make loyal customers (Gamboa et al., 2014)

The power of EWOM was evident through the Procter and Gampel (P &G)'s "Thank you mom" social media campaign which started 100 days before the 2012 Olympic campaign has reached 21 million views and estimated to receive USD 500 million sales through it. Combining the viral affect, it had an emotional appealing and a CSR component to it. Everyone "like" had a value of USD1 which P&G donated to the Team USA youth sports fund. The campaign has increased the brand familiarity by 17%, favorability by 13% and trust by 10%.

Zigzag.lk one of the fashion stores in Sri Lanka, started up its business only through a Facebook fan page which has 500,000 fans by now. The special discounts provided, and the door step delivery has attracted many customers in to it. The vibrant features of the posts they used and continuous and quick responses they provided to their fans was being appreciated by the customers through generating thank you noted by their own. Only after three years of operation they have launched their physical store. Combination of EWOM, trust and value co-creation was well visible in their fan page. In fashion or clothing industry zigzag was a trend setter on using social media as a marketing platform which later on being followed by the giants in fashion industry as Odel, fashion bug and medium scaled businesses as Kelly felder, G flock and several others. The literature related to Sri Lankan case studies are still lacking.

Mobitel is the first Sri Lankan brand achieved more than 350,000 likes (as at 23.03.2013) in their Facebook fan page (Balachandran, 2014). Balachandran and Ragel (2014) has conducted a study about the MobitelFacebook fan page it found out that the particular fan page has high level of engagement with its consumers. The measurements for the engagement were involvement, interaction, intimacy and influence. The brand awareness created through social media is also high, which was measured to five dimensions as recognition, recall, top of mind, dominant and word of mouth.

IV. CONCLUSION

Celebrities in Sri Lanka influence brands via their personalities and strong marketing communication plays a significant role within (Koththagoda & Dissanayake, 2017). In Sri Lanka, the largest number of fans are reported in the Jacqueline Fernandez's Facebook fan page obtained 22 596 834 fans and the second goes to Kumar Sangakkara, the cricketer and third place is for the page of Sri Lanka cricket face book fan page (Socialbakers, 2019). Out of 21 million of population in Sri Lanka about 5,500,000 are Facebook users which counts for 31.9% from total Sri Lankan population (Miniwatts Marketing, 2019). If the business organizations can plan well on utilizing this Facebook users could be converted to their customers.

The sellers should consider on generating content or information which will create interactive conversations, they may further combine their post with a current debatable topic. Increasing user generated content and encourage the existing customers to share their experience through the fan page will also help to attract new.

Face book fan page engagement and purchase intention is hard to be defined through a theory. Fan page engagement is a novel research area. Although many companies invest on it the outcome is still challenging. The existing literature has suggested that trust, value co-creation and EWOM as the influencing factors on purchase intention that generated through Facebook fan page. This paper attempted to high light how empirical studies highlighted trust, value co creation and EWOM impacts on customer purchase intention. Brand activations in digital or online context is a noted research priority in Sri Lanka whereas social media related studies need to be examined with consumer engagement perspectives (Dissanayake & Gunawardane, 2018; Siriwardane, 2018). However, the study finds gaps on social media marketing research particularly on Sri Lankan context. Thus, further research work is encouraged to conduct on finding out the purchase intention of Sri Lankan buyers and how the face book fan pages can support the buyers on finding what they want. Few case study researchers on Sri Lankan success stories are also encouraged.

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