ONLINE SOCIAL NETWORKS: MOTIVATIONS AND VALUE CO-CREATION

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INTRODUCTION

Online social networking has become an omnipresent part of modern society. Facebook, Pinterest, LinkedIn, Twitter, Instagram, YouTube, and Amazon, just to name a few, have practically become household names as consumers and businesses alike are joining in droves. To illustrate, in 2011, there were 175 million Twitter users, 100 million LinkedIn users, and 640 million Facebook users (Hird 2011). Many consumers use social media sites as part of the consumer decision making process. Close to 70% of consumers within these sites use social media as a means to gather product information prior to making purchases, with nearly half making a purchase decision based on such information (Fisher 2009).

As the popularity of online social networking among consumers grows, practice and the popular press has been taking notice. Many companies and brands have entered the online social networks and are building communities through advertising, dedicated profiles, fan clubs, and even 'islands.' Ganim Barnes (2010) posits that 56% of Inc. 500 companies believe that social media is very important to their business. Social media marketing spending by businesses is expected to exceed $3 billion by 2014 (Forrester Research 2010). Schultz (2007) suggests that online social networks are a major new marketing revolution, in which traditional marketers will have less influence over the landscape of branding, and that the new branding landscape will be increasingly fueled by consumer-generated content that drives social networks. Traditional business models that allow firms to control the marketing message are threatened in social media (Hennig-Thurau et al. 2010). Kozinets, Hemetsberger, and Schau (2008) also assert that online communities are transforming the world of marketing. So, it is surprising to find that the marketing literature is only beginning to focus this emerging aspect of society.

The study of online social networks is an emerging topic area and research stream. As with most emerging streams of literature, there are several limitations that provide opportunities for new research. First, while it is a wildly popular topic area among the practitioner literature and popular press, there is relatively little academic research dealing with online social networks. The bulk of academic research on online social networks is conceptual, which leads to the need for collection and empirical testing of primary data. Third, the few empirical studies that are available focus on diffusion and the use of social network analysis technique. This leaves researchers focusing on subjects relating to online social networks with little to build upon, outside of diffusion. Finally, there are no existing studies that investigate the antecedents and consequences of general online social network use behavior. The current study attempts make a contribution by adding to the research in this emerging topic area by collecting and analyzing primary data and using an empirical analysis that focuses on something other than diffusion. This study uses qualitative methods to investigate motivational antecedents of online social networks and consequences for customers and organizations that result from value co-creation.

CONCEPTUAL AND THEORETICAL BACKGROUND

Social networks are not novel concepts; they began with the first humans, and later developed into tribes, kingdoms, states, and countries. Simply put, a social network can be defined as a set of actors and the relationships among them (Goldenberg, Han, Lehmann, and Hong 2009). Social networks can be found in a variety of contexts, including religions, political parties, and universities (Schultz 2007). However, this study focuses on online social networks, which is a relatively new phenomenon. Online social networks occur whenever two or more people become connected over the internet and share information (Goldenberg et al 2009). These networks are changing the way that marketing is done because of the capability of consumers to add information and other content. Online social network users are communicating with each other and with companies through these outlets. This capability stimulates co-creation of value through what has been called consumer-generated content (Dwyer 2007), consumer-created content (Schultz 2007), and collective consumer innovation (Kozinets et al 2008). In fact, this new atmosphere creates value for the consumers, as well as for the social networking site (i.e. Facebook, Twitter) and the other organizations that are involved in the network.

McGuire's (1974) broad and inclusive system of 16 basic human motivations provides a framework for the motivational antecedents of online social network use. McGuire (1974) was the first to synthesize both the cognitive and affective streams of research motivational into a holistic theoretical perspective. The motivations are developed in matrix form that incorporates four dichotomies: 1) affective versus cognitive motives, 2) motives that focus on self-preservation versus those

that focus on self-growth, 3) whether the behavior is an active versus passive response to circumstances, and 4) whether internal versus external goal orientations are associated with the motive. These sixteen motivations, which help to explain the reasons behind the gamut of consumer behavior, are: consistency, attribution, categorization, objectification, autonomy, stimulation, teological, utilitarian, tension-reduction, expressive, ego-defensive, reinforcement assertion, affiliation, identification, and modeling. McGuire (1974) describes each of these motivations, cited various supporting theories for individual motivations, and described how each of them can provide mass communication gratification.

Vargo and Lusch's (2004) Service-Dominant Logic paradigm provides explanation for co-creation of value for consumers and companies through online social networks. Their pivotal article outlines a major paradigm shift in marketing from a goods-centered to a service-centered dominant logic. The focus went from operand resources (goods) to operant (service) resources, which act on operand and other operant resources to produce effects. Online social networks are an operant resource because they are intangible, dynamic processes that provide information and enable consumers to co-create, and multiply the value of, operant resources. Vargo and Lusch (2004) identify the use of operant resources as the key to obtaining competitive advantage. Consumers are also operant resources themselves in that they act on the online social network to co-create value through behaviors such as posting information, providing word-of-mouth communications with other users, and making purchases. This study investigates value that is co-created for consumers and for firms through consumers' behavioral co-creation activities.

METHOD

Qualitative data collection in the form of depth-interviews is currently in progress to gain deep insight into the motivations for with engaging in online social networking, behaviors specific to online social networks, and the ultimate value reaped by consumers and organizations. Preliminary results are presented below, but more complete findings will be available at the date of the upcoming conference, if this abstract is accepted. A laddering technique, also known as a means-end chain analysis (Gutman 1982), is being employed in the in-depth interviews. This method is appropriate for this study because it guides respondents through concrete and abstract attributes, benefits and values to provide a deep understanding of the underlying factors of concrete online social network behaviors, as well as the abstractions of value that are co-created in the process (Frauman and Cunningham 2001). This approach is said to provide unique insights into the factors that motivate and guide choice and patronage behavior and the ultimate abstract goals or consequences of such behavior (Klenosky, Gengler, and Mulvey 1993). This technique has been successfully used in several studies that use one-on-one interviews (Bagozzi and Dabholkar 1994, Botschen and Hemetsberger 1998, Frauman and Cunningham 2001) to uncover specific linkages between relatively concrete meanings and attributes and abstract meanings, value, or benefits.

Interviews guide respondents on the 'ladder of abstraction' by asking the respondents what is important to them in regard to some context. The subsequent questions are based on the answers to the previous questions, as the interview continues to probe further into the respondents' answers by asking why that is important to them. This process stops when the respondent can no longer provide any further information, but then starts again with another attribute that is important to the respondent in the particular context. After the interviews are complete, the transcriptions will be content analyzed into categories of meaning based on attributes, benefits or consequences, and/or value (Reynolds and Gutman 1988).

RESULTS AND DISCUSSION

While qualitative data collection is currently underway and complete results will be presented at the conference if this structured abstract is accepted, some preliminary work has begun to uncover various themes in terms of motivations for online social network use, associated behaviors, and resulting co-created value. Some motivations for online social network users are establishing a business online, receiving promotional benefits, learning about others, socializing with others, developing traffic, getting and giving help (Baker 2009), helping people connect, collaborating at work, and gaining popularity (Carey 2009). Several behavioral variables that may be related to online social networking are frequency of use, number of hours of use per week, number of contacts, number of brands to which one is connected, level of participation in applications, level of spending, degree of interaction with other members of the social network, and level of self-disclosure. Online social network use co-creates value for both consumers and organizations. Some emerging consumer value themes are subjective well-being, hedonic value, utilitarian value, and identification (with the social network and/or brands), while some variables that provide value for organizations are customer advocacy, consumer devotion, customer citizenship behaviors, consumer engagement, and brand loyalty.

This work presents great opportunities for future research. Once qualitative data collection and analysis is complete, deductive reasoning will be employed, in conjunction with theory, to develop hypotheses that will form the basis for a quantitative study to be conducted using survey research. That work will further validate the motivations, behaviors and value for consumers and organizations that is associated with online social networks. Other fruitful opportunities for research include the investigation into individual difference variables that could play either an exogenous or moderating role in value co-creation in this emerging context. Finally, the inductive, qualitative findings and conceptual model that will result from this study provide a framework from a consumer perspective. This framework could become the basis for refinement and development of a model that focuses on motivations, behaviors, and value from a purely organizational perspective.

IMPLICATIONS FOR THEORY AND PRACTICE

The results of this study have both important managerial and academic implications. The academic literature dealing with online social networks is in its infancy stages. The results of this study could provide practical implications to inform managers' strategic decisions in terms of target market selection based on motivations, advertising and other types of promotion, relationship marketing, and maximizing value co-creation when dealing in online social networks.

The lack of empirical research on consumers and online social networks, outside of the diffusion literature, is a deficiency in the marketing literature that will begin to be remedied with this study. Research involving antecedents and consequences of consumers' growing use of online social networks by integrating multiple theories to provide a more holistic view of the process involved in online social network use will help to provide a ground work for future research in online social networking.

Additionally, McGuire's theoretical system of motivations will be expanded and updated to encompass modern forms of communication. In terms of mass media and communication, McGuire's 16 motivations dealt in one-way communication between organizations and consumers when they were first developed in 1974. Conversely, through online social networks, consumers generate content, shape their own experiences, and add value.

Vargo and Lusch's (2004) service dominant logic paradigm will be demonstrated in a novel context involving almost exclusively operant resources acting on other operant resources in the co-creation of value. This research extends Vargo and Lusch's (2004) service dominant logic paradigm to a new context. With online social networks, the network itself is an operant resource, providing a platform for consumers, who are also operant resources, to generate content and value for multiple parties. There is only minimal use of operand resources in this context (only computer equipment to allow users to access the internet). These conditions of almost exclusively operant resources acting on other operant resources to co-create value offers an extreme example of how the service-centered paradigm is increasingly prevalent in society.

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