

Analyzing the Use of Social Networks Sites in the Purchasing Decision Process

Francisco Javier Miranda

Universidad de Extremadura, Spain

Sergio Rubio

Universidad de Extremadura, Spain

Antonio Chamorro

Universidad de Extremadura, Spain

Sandra M. C. Loureiro

Instituto Universitário de Lisboa (ISCTE-IUL), Portugal & Business Research Unit (BRU/UNIDE), Portugal

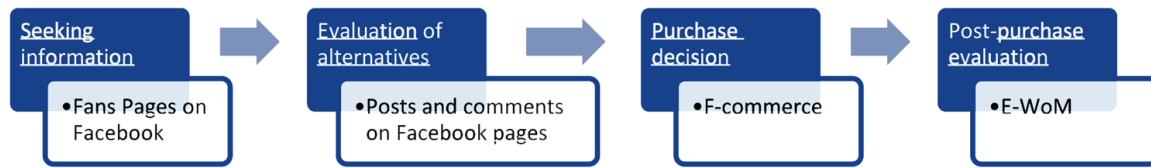
INTRODUCTION

Social networks have quickly become a platform in which citizens feel comfortable interacting with each other. They have not only become a sociological phenomenon, but also a marketing opportunity that firms are unwilling to let go by. This is a new ecosystem in which individuals are as important as firms or the media – an environment in which people are what is important, and one which is having an increasing influence in the business world.

In this context, Facebook can have a real impact on the four stages of the purchasing decision processes that follow a recognition of need: the search for information, the evaluation of alternatives, the purchase, and subsequent evaluation (Engel, Kollat, & Blackwell, 1968). The usual channels of seeking information are now complemented with the information that firms place on their Facebook pages about their products, a medium open to any potential buyer 24 hours a day, every day of the year, through any device with Internet connection. The evaluation of alternatives is favoured through the comments that other users have made previously on the Facebook page of the brand, or through the exchange of views that the consumer can have on their own Facebook with their “friends”. With the appropriate applications, firms can also create a system on Facebook that allows business transaction to be finalized without referring to the firm’s own website or a physical store. In this sense, “f-commerce” (Facebook commerce) or “s-commerce” (social commerce) complements e-commerce. Finally, Facebook plays a fundamental role in post-purchase evaluations since it facilitates the sharing of shopping experiences, whether positive or negative. Through such exchange of opinions in online spaces, known as “e-WoM” (online word-of-mouth), consumers co-create together with the firm the brand’s image.

The objective of the present work was to study the intended use of Facebook by consumers in the early phases of their purchasing process (search for information and the evaluation of alternatives). To this end, we used the Technology Acceptance Model (TAM) (Davis, 1989) designed to explain and predict how individuals decide to adopt a particular technology.

Figure 1. Facebook and the 4 stages of the purchasing decision process



BACKGROUND

Research into social media, and specifically into social network sites (SNS's), is still at an embryonic stage (Michaelidou, Siamagka, & Christodoulides, 2011). In the business field, published research has been even scarcer. The main references are in reports by consultants specialized in new technologies, while very few academic studies have analysed the potential of these social networks as a marketing tool for businesses (Berthon, Pitt, Plangger, & Shapiro, 2012).

Michaelidou, Siamagka, and Christodoulides (2011) examines how SMEs operating in B2B markets use and perceive social networks, how effective they find them, and the main barriers they encounter in this area. Muntinga, Moorman, and Smit (2011) analyse consumers' online brand-related activities and their consequences that are significant for firms. That work represents a first attempt to effectively anticipate and direct those consequences from an understanding of people's motivations to engage in brand-related social media use. Hudson and Thal (2013) describe the new consumer decision process with examples from all sectors of the travel industry and describe how savvy tourism marketers are benefiting from social media engagement.

Another study shows that social support and website quality positively influence the user's intention to use s-commerce and to continue using a social networking site. These effects are found to be mediated by the quality of the relationship between the user and the social networking website (Liang, Ho, Li, & Turban, 2011). The empirical study conducted by Grange and Benbasat (2010) reports on the effects of online social shopping on user behavioural beliefs (perceived usefulness and enjoyment). The results of the study show that system functions such as quick access to products and help option design, such as the underlying message guiding use are strong predictors of the individual belief.

Finally, Kang and Park-Poaps (2011) studied the motivational sources and consequences of social shopping, testing a structural model of social shopping in the context of fashion consumption. The results reveal that social comparison positively influences many dimensions of social shopping for fashion.

The present research seeks to examine the intention to use social networks in the purchasing decision process using the Technology Acceptance Model (TAM). Several studies have used the TAM to understand technology adoption decisions involving the Internet and online applications, including e-mail (Gefen & Straub, 1997), e-learning (Lee, 2006), web (Johnson & Hignite, 2000), WebCT (Ngai, Poon, & Chan, 2007) and e-health (Lanseng & Andreassen, 2007).

With respect to the use of social networks, the principal antecedents are the works Chen, Chen, Lin & Chen (2011), Yang & Lin (2011) and Rauniar, Rawski, Yang & Johnson (2014) which analyse users' adoption of Facebook. But, to the best of our knowledge, there has been no study analysing their intention to use the site as a tool for acquiring information during a purchasing decision process, which is the subject of the present work.

11 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:
www.igi-global.com/chapter/analyzing-the-use-of-social-networks-sites-in-the-purchasing-decision-process/149061

Related Content

Requirements for Personalized m-Commerce: What Drives Consumers' Use of Social Networks?

Laura Beckerand Key Pousttchi (2013). *Journal of Electronic Commerce in Organizations* (pp. 19-36).
www.irma-international.org/article/requirements-for-personalized-m-commerce/98549

Perceived Risk and Escrow Adoption in Online Consumer-to-Consumer Auction Markets: An Economic Analysis

Xiaorui Hu, Zhangxi Linand Han Zhang (2005). *Advances in the Economics of Information Systems* (pp. 132-151).
www.irma-international.org/chapter/perceived-risk-escrow-adoption-online/4912

Context-Aware Query Processing in Ad-Hoc Environments of Peers

P. Benouand V. Bitos (2008). *Journal of Electronic Commerce in Organizations* (pp. 88-62).
www.irma-international.org/article/context-aware-query-processing-hoc/3507

Firm-Level Evidence of ICT Adoption among SMEs of the Social Economy in Spain

Glòria Estapé-Dubreuiland Consol Torreguitart-Mirada (2014). *Journal of Electronic Commerce in Organizations* (pp. 16-34).
www.irma-international.org/article/firm-level-evidence-of-ict-adoption-among-smes-of-the-social-economy-in-spain/108839

Impersonal Trust in B2B Electronic Commerce: A Process View

Paul A. Pavlou (2003). *The Economic and Social Impacts of E-Commerce* (pp. 239-257).
www.irma-international.org/chapter/impersonal-trust-b2b-electronic-commerce/30324