

Chapter 21

The Social Side of Consumerism:

Human Need Satisfaction as Antecedents of Economic Need Satisfaction in an Online Environment – Empirical Evidence from the Airport Industry

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ABSTRACT

In the old consumerism paradigm there has been a clear cut distinction between business organizations (producers) and customers (consumers). The advent of Social Software Platforms (SSP), such as online social networks, is destabilizing this duality. SSP provide business organizations with the infrastructure to extend beyond organizational boundaries and establish network ties with their customers with the purpose to include the customer in the value creation process. The chapter reports on the findings of a mixed-methods study. The study describes how major German airports profit economically from online consumerism, i.e. collaborative conversation with passengers, while focusing on the SSP Facebook. The second purpose of the chapter is to model and test the relationship between socio-psychological human need satisfaction of passengers and their engagement level on the corporate Facebook pages of airports. Finally, the chapter offers recommendations for airport managers how to further foster passenger engagement on SSP and embrace online consumerism for economic benefit.

INTRODUCTION

In ancient trade markets were conversations between buyers and sellers, who recognized each other as equals (Levine, Locke, Searls, & Weinberger, 2000). However, during the era of industrialization and mass media this social rela-

tionship eroded and power was shifted to business organizations (ibid). Product and service development became disconnected from true customer interests, while marketing communication has been largely one way in nature (Kotler, 1972). An increasing convergence of social and technological networks and the emergence of public Social

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Software Platforms (SSP), such as the online social network Facebook, is eventually resulting into a renaissance of the human dialogue between organizations and their customers: “the Internet is enabling conversations among human beings that were simply not possible in the era of mass media” (Levine et al., 2000, p. xxii). Customers are no longer only listening to organizations, but reclaiming their voice. Online consumerism on SSP, i.e. collaborative conversation of customers with organizations and among customers, places customer-centric thinking again at the heart of business as customer feedback is publicly visible and persistent. SSP are no longer the domain of highly active Internet users: all classes and strata of German Society are using SSP regarding gender, age, education and geographical location (vor dem Esche & Hennig-Thurau, 2013). Despite that many organizations considered SSP to be just another fad, SSP have overcome the state of infancy and are now on “the verge of commoditization” (ibid, p. 30). In Germany, 92.6% of Internet users have registered with at least one SSP, with the average German Internet user maintaining a profile on three SSP (ibid). Facebook captures the majority of German Internet users with an audience of 38.6 million unique visitors per month (ComScore, 2013) and 25.0 million active registered users (Statista, 2013). SSP have paved the way for new forms of communication. On SSP customers cheaply and easily communicate with each other and share their own view on business organizations and the perceived value of products and services. This view is often “at odds with the image an organization wants to project” (Bernoff & Li, 2008, p. 36). On SSP the company-to-consumer and consumer-to-consumer communication is taken to the public level resulting into unprecedented corporate transparency (Rezabakhsh, Bornemann, Hansen, & Schrader, 2006). It is no longer possible for organizations to control the marketing message or filter information (McAfee, 2009): “there are no secrets. The networked market knows more than companies do about their own

products. And whether the news is good or bad, they tell everyone” (Levine et al., 2000, p. XV). The well-informed customer exercises sanction power and forces organizations to align their product and service offerings to customers’ and societies’ needs and interests (Kotler & Keller, 2006; Rezabakhsh et al., 2006). The advent of SSP is resulting in a genuine balance of power between customers and organizations, as digital platforms of participation have finally caught up with business infrastructure. In the era of SSP no more formal Consumer Bill of Rights are required to augment the rights of customers in relation to business.

While organizations still struggle with the challenge of empowered customers (Kotler, 1972), loss of control over the marketing message and an increasing corporate transparency (IBM, 2011), online consumerism holds the valuable opportunity to focus organizations on the true interests of customers. SSP provide the infrastructure for business organizations to extend beyond organizational boundaries and establish network ties with their customers with the purpose to include the customer in the value creation process for mutual benefit. Network ties that cross organizational boundaries, i.e. bridging social capital, have been acknowledged by scholars of various disciplines as a major source of competitive advantage. Benefits include the facilitated access to information and innovative ideas not available in the organizations itself (Ruef, 2002), an increase of Word-of-Mouth activity (Harrison-Walker, 2001) or a better organizational performance (Hoegl, 2005; Ofori, 2010). All major German airports (annual passenger volume > 5 Mio.) maintain a corporate Facebook profile (Google+: 25%; Twitter: 75%) with the purpose to establish network ties with passengers and other stakeholders.

However, as Porter (2006) noted, “the mere presence of firms [...] in a location creates the potential for economic value, but it does not necessarily ensure the realization of that potential” (p. 225). Still very little is known, if airports are

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