Social Media Intensity, EWOM, and Conspicuous Consumption among American, Korean, and Thai Consumers

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INTRODUCTION

Due to the advanced communication technology, led by the ubiquity of mobile devices and the ease of Internet accessibility worldwide, the number of Internet and social media users has increased rapidly. According to Statisca (2015), social media users have grown from 0.97 billion in 2010 to approximately 1.79 billion in 2014 (i.e., 85% growth). Amongst various players in this industry, the leading social network platform is Facebook with 1.36 billion users in 2014 (Kemp, 2015). While infrastructure to support online communications continues to develop in virtually all parts of the world, recent world statistics reveal that individual access to the Internet and usage of online social media vary between nations. Table 1 illustrates Internet and social media usage statistics of South Korea, Thailand, and the US—the three nations that were selected as the focal contexts here on the basis of their economic, social and cultural differences.

Economically, these three nations are classified under two different income brackets with the US and South Korea as high-income and Thailand as upper-middle-income (Worldbank, 2014). Some key social and economic indicators of these three countries are listed in Table 2. In terms of social development, both the US and South Korea are more advanced as indicated by the levels of Human Development Index (HDI), life expectancy, education, and Internet access. While more than one-third of Americans and South Koreans (aged 25 and above) have completed at least secondary education, only about one third of Thais have. Moreover, the proportion of the population using the Internet in the US, South

Table 1. Online statistics as of 2014

	Percentage of Population using Internet[1]	**Percentage of Population using Social Media[2]**	**Leading Social Media[2] (% Share)[3]**	**Hours Spent on Internet per Day[3]**		**Hours Spent on Social Media per Day[3]**
				Computer	**Mobile**	
South Korea	92.4%	30%	Kakao Talk (39%)	3.4	1.8	1.3
Thailand	29.7%	49%	Facebook (19%)	5.5	4.1	3.8
USA	87%	67%	Facebook (42%)	4.9	2.5	2.7
World Average	n/a	n/a	n/a	4.4	2.7	2.4

[1]Internet World Stat Website (http://www.internetworldstats.com).

[2]Statista The Statistics Portalhttp://www.statista.com and PewResearchCenter (http://www.pewinternet.org).

[3]GlobalWebIndex reported on We are Socialhttp://wearesocial.sg/blog/2015/01/digital-social-mobile-2015/.

Table 2. Social and economic statistics

Rank	Country	Human Development Index (HDI)[1] Value	Life Expectancy at Birth[1](Years)	Mean Years of Schooling[1]		Population with at Least Secondary Education (% Aged 25 and Above)[1]		GNI per Capital (USD)[2] 2013
				Female (2002-2012)	Male (2002-2012)	Female (2005-2012)	Male (2005-2012)	
5	United States	0.914	78.9	13.0	12.9	95.1	94.8	53,750
15	South Korea	0.891	81.5	11.1	12.5	77.0	89.1	33,440
89	Thailand	0.722	74.4	7.0	7.7	35.7	40.8	13,430

[1]Human Development Report 2014 (http://hdr.undp.org/en/content/human-development-report-2014).
[2]World Bank (http://data.worldbank.org/indicator/NY.GNP.PCAP.PP.CD).

Korea, and Thailand are 87%, 92.4%, and 29.7%, respectively (Internet World Stat, 2015). South Korea has the highest Internet penetration rate in the world (92.4%); yet, it is not among the top ten nations with respect to the average hours spent on the Internet, nor on social media per day. Thailand, on the other hand, is ranked the second in the world, behind the Philippines, for the daily average hours spent on Internet, and the fifth in the world behind Argentina, Philippines, Mexico, and Brazil in terms of the average hours spent on social media per day (GlobalWebIndex, 2014, cited in Kemp, 2015). The recent statistics on web traffic also indicate significant switches between devices used for exploring the Web (see Table 3). These statistics provide the motivation behind this comparative study of the impact of social media intensity on consumer behaviors among these three countries.

   Although the US and South Korea are more alike in terms of social and economic developments as well as in Internet utilization, they are quite diverse culturally. While the US represents a Western developed and advanced economy, South Korea and Thailand characterize Asian emerging economies. According to Hofstede, Hofstede and Minkov (2010), South Korea and Thailand portray a typical East Asian culture with relatively high scores on power distance and uncertainty avoidance but low scores on individualism and masculinity (see Table 4). As documented in the mainstream cultural studies (Hofstede, 1980; Hofstede, and Bond, 1984), high power distance indicates cultures in which power is not equally distributed; high uncertainty avoidance cultures tend to be frightened of ambiguity; low individualism cultures are collectivist in which interdependence is emphasized; and, low masculinity cultures are ones that focus on relationship nurturing rather than achievement or success. From Hofstede's cultural dimension scores, the US is very distinctive from South Korea and Thailand on the individualism dimension whereas South Korea clearly distinguishes itself from the other two nations in terms of the degree of

Table 3. Share and growth of web traffic by device from 2013-2014*

	Laptop/Desktop Computers	Mobile Phones	Tablets	Other Devices
South Korea	70% (-3%)	29% (+5%)	1% (+56%)	0%
Thailand	56 (-19%)	36% (+59%)	8% (-3%)	0%
USA	65% (-8%)	25% (+24%)	10% (+7%)	0.3% (+9%)
World Average	62% (-13%)	31% (+39%)	7% (+17%)	0.1% (+18%)

 * StatCounter reported on We are Social http://wearesocial.sg/blog/2015/01/digital-social-mobile-2015/.
  Numbers in brackets indicate the percentage change from 2013 to 2014.

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