

THE EFFECT OF DIGITAL MEDIA IN MARKETING PERSPECTIVES

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ABSTRACT

This research reveals recently published study about the influence of digital and social media in marketing techniques. Five themes are identified: consumer digital culture, responses to digital advertising, effects of digital environments on consumer behaviour, mobile environments, and online reviews. Collectively these studies shed light from many different angles on how consumers experience, influence, and are influenced by the digital environments in which they are situated as part of their daily lives. Much is still to be understood, and existing knowledge tends to be disproportionately focused on user reviews on social media, which is only part of the digital consumer experience. Several directions for future research are advanced to encourage researchers to consider a broader range of phenomena.

Keywords: influence, Digital Media, Consumer culture, Online reviews, Marketing

INTRODUCTION

Using the internet, social media, mobile apps, and other digital communication technologies has become part of billions of people's daily lives. For instance, the current rate of internet use among Saudi Arabia population is about 90% which is 25% higher than the average internet usage across the middle east [1]. Younger people—the next generation of mass consumers—have similarly high levels [2]. People also spend increasing time online. For example, in the UK, over the last decade the number of hours spent online by adults has more than doubled, and now averages 20.5 hours per week [3]. Social media has fueled part of this growth: worldwide there are now more than 2 billion people using social media [4], and Facebook alone now has approximately 1 billion active users per day [5].

Clearly, people are exposing themselves to more and more digital and social media. This is for many purposes, including in their roles as consumers as they search for information about products, purchase and consume them, and communicate with others about their experiences.

Marketers have responded to this fundamental shift by increasing their use of digital marketing channels. In fact, by 2017 approximately one-third of global advertising spending is forecast to be in digital channels [6].

Thus, future consumer marketing will largely be carried out in digital settings, particularly social media and mobile. It is therefore necessary for consumer research to examine and understand consumer behaviour in digital environments. This has been happening over the last decade, with increasing amounts of research focusing on digital consumer behaviour issues. The literature is still relatively nascent, however, and more research is of course needed—particularly given the ever-changing nature of the digital/social media/mobile environments in which consumers are situated and interact with brands and each other. This article attempts to take stock of very recent developments on these issues in the consumer behaviour/psychology literature, and in doing so hopes to spur new, relevant research.

This review is based on studies published in between January 2013 and September 2015 in the four leading consumer research journals: *Journal of Consumer Research* (JCR), *Journal of Consumer Psychology* (JCP), *Journal of Marketing* (JM), and *Journal of Marketing Research* (JMR). Articles related to digital marketing, social media, and user online reviews are featured in this review. In total, 29 studies were published on these topics in the consumer behavior literature in the last few years, suggesting that this is an increasingly popular domain within consumer research. In addition to these articles, there were three review articles worth mentioning: (i) Berger's review of word-of-mouth and interpersonal communication research [7], (ii) You et al.'s meta-analysis of online word-of-mouth effects [8], and (iii) Yadav and Pavlou's review of marketing in computer-mediated environments [9].

RESEARCH THEMES AND FINDINGS

Five distinct research themes emerge in recent consumer research on digital marketing and social media. The five themes are (I) consumer digital culture, (II) advertising, (III) impacts of digital environments, (IV) mobile, and (V) online reviews. The most popular themes are online reviews published by internet users, which is covered by almost half of the articles, and advertising, represented by slightly over one-quarter of the articles. Below is the detailed discussion of each theme.

Consumer Digital Culture

Consumer digital culture research considers, quite deeply, the digital environments in which consumers are situated. A key aspect of this work has been understanding how consumers' identities and self-concepts extend into digital worlds, such as work by Belk [10, 11]. Belk [10]

extended his prior work on the “extended self” to incorporate the digital environments in which consumers now situate themselves, which is an important piece of theory development because it considers concepts such as the ability for consumers to have multiple selves due to possessing multiple online “personas.” Belk also suggests many areas for future research. Other research under this theme looked at more specific phenomena. McQuarrie et al. [12] focused on fashion blogging as a means of documenting the “megaphone effect,” which is the ability for regular consumers to access large audiences through digital/social media.

This is an important effect and they discussed how bloggers go about building audiences and accumulating social (or cultural) capital through demonstrations of “good taste.” In a social media setting this essentially means that a blogger (or “influencer”) makes recommendations that signal her expertise to others. This is in a specific setting but has implications for understanding consumers’ content-generation behaviours on social media more generally, since signalling positive personal attributes is likely a common motivation for posting certain things on sites like Facebook. Together, these articles make an important conceptual contribution around how we see consumers in a digital world, particularly by implying an expanded conception of what it is to be a consumer in today’s digital world.

Advertising

Digital advertising is a major topic in the marketing literature and, with respect to consumer behaviour, considers how consumers respond to various aspects of digital ads. Several recent articles considered behavioural aspects of digital advertising from various perspectives. One interesting perspective taken in a few articles [13-15] was based around how to overcome (assumed) psychological reactance due to personalization of digital ad targeting. Schumann et al. [13] considered how negative reactions to personalization could be overcome with normative reciprocity appeals (instead of utility appeals). Lambrecht and Tucker [14] studied ad retargeting, which is when personalized recommendations based on prior web-browsing history are made when a consumer returns to a website.

Negative responses to retargeting are found, but this is mitigated when consumers’ preferences have become more precise. Tucker [15] found that personalized website ads are more favourably received when consumers have a higher perception of being in control of the personal/private information used for personalization, which directly corresponds to literature on psychological reactance and suggests a theoretical way forward for research into consumer digital privacy, which is lacking.

Other articles have considered a variety of digital ad response aspects [16-20]. Luo et al. [16] looked at drivers of popularity for group-buying ads (i.e., Groupon-like “daily deals”), finding

social influence (e.g., social proof due to others buying a deal) to be a major driver of deal popularity. Jerath et al. [17] studied responses to search engine advertising, finding that when consumers search for less-popular keywords their searches are more effortful.

Puccinelli et al. [18] examined digital video ads (e.g., that run on sites like Hulu and YouTube), focusing on how TV show emotion interacted with ads' energy levels to affect consumers' responses.

They find that affective matching between show and ad matters such that when consumers experience "deactivating" emotions (e.g., sadness) it is harder to view energetic ads. Dinner et al. [19] considered how digital display and search ads drive online and offline purchasing for a retailer, finding that digital ads are more effective than offline ads in driving online behaviour. Finally, Goldstein et al. [20] studied "annoying" (e.g., obtrusive, low quality) website ads and showed how they create economic costs for advertisers (i.e., waste) and cognitive costs for consumers.

Impacts of Digital Environments

A still-emerging theme in recent years is how digital/social media environments impact consumer behaviour [21-23]. The consequences can be thought of as environment-integral (i.e., digital environments influence behaviour in those environments) or environment- incidental (i.e., digital environments influence behaviour in other, unrelated environments). It is interesting to see how the various informational and social characteristics of digital/social environments, such as being exposed to other consumers' opinions (e.g., reviews) or choices (e.g., bids in online auctions), or even just to friends' lives through social media, can impact subsequent behaviours.

For instance, with respect to environment-integral consequences, Lamberton et al. [21] and Norton et al. [22] considered learning from strangers in digital environments. They find that consumers in competitive online settings infer interpersonal dissimilarity and act aggressively against ambiguous others (strangers) [21], and find that seeing online that others made the same choices as oneself can reduce, not increase, confidence in one's choices if others' justifications (e.g., in online reviews) are dissimilar [22]. Adopting a different perspective, Wilcox and Stephen [23] examined an environment-incidental response with respect to how using Facebook affected self-control. They found that when exposed to closer friends on Facebook, consumers subsequently exhibited lower self-control in choices related to, for example, healthy behaviours (e.g., choosing a cookie instead of a healthier granola bar).

Mobile

Consumer behaviour in mobile settings is also increasingly important, as consumers use mobile devices more frequently. This is particularly interesting in shopping contexts. In an in-store shopping setting, Hui et al. [24] studied how consumers respond to mobile coupons in 8 physical stores, finding in a field experiment that mobile offers requiring consumers to deviate from their planned shopping paths can increase unplanned spending. In an online shopping setting, Brasel and Gips [25] focused on shopping on mobile devices (e.g., tablets) and specifically on how touching products (instead of clicking with a mouse) can increase feelings of psychological ownership and endowment.

This is an interesting contribution because work on how consumers physically interface with mobile devices and how that influences decision making is scant but, as this article showed, important. Unrelated to shopping is work by Bart et al. [26] that considered how mobile display ads—which are very small and carry very little (if any) information—influence consumers’ brand attitudes and purchase intentions. They found that in many product categories mobile display ads have no effect, but that they do lift attitudes and intentions for high-involvement, utilitarian products (e.g., financial services).

Online Reviews

User reviews over the internet is the most-represented topic in digital marketing research, which is unsurprising given the reliance consumers seem to have on socially sourced online information. Several sub-themes were covered recently. First, an interesting set of articles considered linguistic properties of online reviews [27-33], generally showing how perceptions of reviews and how influential they are can depend on subtle language-based properties. For instance, Kronrod and Danziger [27] showed that figurative (vs. literal) language in online reviews positively affected consumer attitudes and choice for hedonic goods. Moore [28] considered explanatory language in online reviews, finding that whether consumers explained actions or reactions affected perceived review helpfulness. Hamilton et al. [29] considered negative reviews, finding that using softening language when conveying negative opinions (e.g., “I don’t want to be negative, but...”) increases perceived reviewer credibility and likability.

Tang et al. [30] considered two kinds of neutral language, mixed (positive and negative) versus indifferent. They show that mixed neutral (vs. indifferent) online reviews amplify effects of online reviews on purchasing. Ludwig et al. [31] studied affective language in reviews and examined how a review with linguistic style that is consistent with the typical linguistic style used for that product group influenced sales, finding that positive affect increases conversions (but at a diminishing rate), negative affect decreases conversions, and congruent linguistic styles are beneficial. Chen and Lurie [32] examined temporal contiguity language in online reviews

(i.e., reviewers indicating they recently had the experience), finding that consumers discount positive reviewer opinions less if the experience was seemingly recent (i.e., presence of temporal contiguity cues).

Another important topic recently examined is differences between online and offline user reviews.

Lovett et al. [33] found that online reviews is driven by social and functional brand characteristics whereas offline reviews is driven by emotional brand characteristics. Eisingerich et al. [34] studied differences between transmitting user reviews in social media (e.g., on Facebook) versus offline (in person), showing that consumers are less inclined to transmit user reviews in social media because of a higher perceived social risk.

Finally, other recent articles considered additional online reviews-related issues. For instance, He and Bond [35] considered when online reviews provide good versus bad forecasts of consumer brand enjoyment, finding that the forecast error/discrepancy depends on the degree to which a reviewer's and consumer's preferences are similar. Cascio et al. [36] identified neural correlates of susceptibility to others' opinions in online reviews settings, with susceptibility to social influence being related to brain regions involved with shifting personal preferences and considering others.

He and Bond [37] focused on sets of online reviews and considered how consumers interpret opinion dispersion and whether it is attributed to the product or to reviewers' tastes being heterogeneous. Anderson and Simester [38] documented the prevalence of deceptive reviews posted by people who have not purchased a product, suggesting that the practice is not limited to competitors but includes existing customers with no financial incentive to bias online ratings. Finally, Barasch and Berger [39] examined social transmission behavior when consumers broadcast (to many, e.g., through mass-audience posts on Facebook or Twitter) versus narrowcast (to few, e.g., through messages to a few friends), finding that people share information that makes themselves not look bad when broadcasting (i.e., self-focus) but share information that will be helpful to receivers when narrowcasting (i.e., other focus).

RECOMMENDATIONS FOR FUTURE RESEARCH

The digital/social media consumer behaviour literature is fast-growing and largely focuses on phenomena that are practically relevant and theoretically interesting. Researchers have mostly considered how consumers use information (e.g., online user reviews) available to them in digital/social media environments.

Future research should continue this approach, although in a more expanded fashion.

Consumers' behaviours other than those related to online reviews should be considered, and other types of information found (and inferences made) in online environments should be considered. For example, it would be interesting to consider the complex interplay between transmitter, receiver, linguistic/content, and context factors when it comes to antecedents and consequences of online REVIEWS.

Another high-potential direction for future research is to consider how various kinds of digital environments (including social media and mobile) impact a wide variety of consumer outcomes, including psychological and economic constructs. Few articles have done this, though it is likely that a multitude of consumer outcomes are influenced by the digital environments in which they are increasingly situated. It is also possible that some adverse consequences may be detected, like Wilcox and Stephen's [23] finding linking Facebook use to lower self-control. In addition to this, the ways that consumers physically interact (i.e., interface) with digital environments needs deeper exploration, given what Brasel and Gips [25] found in terms of feelings of endowment when using touch-based interfaces to shop.

In studying the impacts of digital environments on consumers, it will also be necessary to consider longer-term responses because these effects may be subtle but cumulatively important. Thus, one-shot experimental studies should be complemented by longitudinal experiments and archival data capturing consumers' digital exposures, online social interactions, and behaviours over time.

Finally, researchers should consider emerging important topics, particularly consumer privacy issues in the context of digital marketing and social media. Tucker [15] considered this to an extent, though a comprehensive understanding of how consumers think about their privacy, what they want to do to protect it, and how they value (or devalue) digital media services that protect (or not) privacy is still needed.

CONCLUSION

The motive of the research was triggered by personal interest in how consumer behavior has changed in the Digital Age, in particular with social media. The amount of information available to us increases in each new day, as a result, we are overwhelmingly exposed and attained to different aspects of information via the Social Web. The accessibility and transparency that social media offers has led changes in how consumers position themselves in today's market, in which it is inevitable and necessary for companies to equip with a new marketing mindset. The central gravity of the research was to explain why, when, and how social media has impacted on

consumer decision making process both in theory and in practice

There is a generous amount of reports relating to social media marketing which are primarily aimed to help businesses benefit from this marketing trend. Oftentimes, businesses assume that they are on the right track in the new marketing era, for instance engaging customers by creating a Facebook page; in fact, customers may not share the same picture as businesses may have.

In conclusion, there has been much recent activity in the consumer behavior/psychology literature related to digital and social media marketing, and many important contributions to knowledge have been made. To move this literature forward, particularly given the fast-moving nature of digital settings, research that attempts to broaden our understandings of key phenomena, examines brand-new phenomena, and develops theories in an area that lacks an established theoretical base will be most valuable.

Additionally, the research, perhaps, could help organizations to gain new insights from this perspective and to identify potential pitfalls and opportunities via social media, for instance to develop appropriate ways to tap into the decision making process at the right time or to have a better understanding of why their social media marketing campaigns may not be executing as they would have anticipated.

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