QUALITATIVE MARKETING RESEARCH ON THE USAGE AND THE INFLUENCES OF ONLINE SOCIAL NETWORKING SITES ON CONSUMERS - PART II

Mircea Fuciu, PhD Student, Lucian Luncean, PhD Student, Hortensia Gorski, Prof., PhD, Romanian-German University of Sibiu

Abstract: The extremely fast and explosive development of the online social networking (OSN) sites in the last decades has created for the managers and consumers a new environment in which to make business. Our paper, which is the second part of a larger study (containing a quantitative research based on in-depth interviews and a qualitative research based on a questionnaire), represents an approach made by the authors in order to understand the level of usage of OSN as well as the impact that these platform have on the consumers. The paper underlines several aspects related to literature review, it presents the research methodology, it points out the qualitative marketing results linked to: the importance of owning an OSN account, the number of accounts known and owned by the respondents, the average time spent on an OSN account, the technological means by which the users connect to the OSN, the main activities undertaken on an OSN, advantages and disadvantages of owning an OSN, as well as the main OSN influence factors that act upon the consumers / respondents during and after the usage of such a platform.

Keywords: consumer behaviour, online social network, marketing research, influences

1. Introduction

The strong development and evolution of the information and communication technologies and of the internet in the last few years has led to new changes in the way companies do business, but especially in the manner in which they contact and interact with their consumers. In the last decade, a new marketing tool has become the great new "thing". The online social networking sites (OSN) are a new tool that managers and marketers alike have started to use greatly in their marketing and consumer relationship strategies. It has become mandatory for every company to have a online social networking account in order to promote, present their products or services, to inform the public about their company and last but not least "to be out there". But the question on everybody's mind is: *How does this new marketing tool, the OSN, influence the consumer, and how can it be used by the companies?* Our paper, which is the 2nd part of a larger study (containing a quantitative research based on in-depth interviews and a qualitative research based on a questionnaire), represents an approach made by the authors in order to understand the level of usage of OSN as well as the impact that these platform have on the consumers.

2. Short literature review

Today the World Wide Web (WWW) is undergoing a subtle but profound shift to Web 2.0, becoming more of a social web. In comparison with WWW one decade ago, individuals (grassroots) play a more crucial role in the evolution of web today, that is, the active participation of individuals leads to a more diverse online world, regardless of their different colors, beliefs, and countries. Especially, these Web 2.0 sites provide an "Eden" for free minds and ideas to trigger sparks of inspiration (Feng et. al, 2008).

In order to understand how the online social networking sites influence the consumers and to see the methodology and the results of the marketing research, it is imperative to clarify several aspects related to the concept of online social networks, their evolution over the years as well as several influences that might act upon the consumer of the 21st century that uses an online social networking account. OSNs (Kim et al., 2004) have recently gained significant popularity and are now considered among the most popular sites on the web; the purpose of such sites being to uniquely distribute information and products

Firstly and probably the most important aspect represents understanding the concept of online social networks. According to the Oxford Online Dictionary, social networks are all the social interactions as well as the personal relationships of the individual. The study of social networks date back about half a century, focusing on interpersonal interactions in small groups due to the difficulty in obtaining large data sets (Wasserman and Faust in Hu and Wang, 2009).

Social networking sites are tools for building virtual communities, or social networks, for individuals with similar education, lifestyles, interests, or activities (Bolotaeva and Cata, 2011). The online social networks are defined (Boyd and Ellison, 2007) as web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system. Other authors (Diffley et. al. 2011; Trusov et al., 2010; Veghes and Pantea: 2009, Zarella: 2010) have also presented the definition of an online social network, that agrees totally or to some extent to Boyd and Elisson (2007).

OSN was defined by Balas (2006) as a platform used as a mean for building online communities, where individuals from around the world can connect with each other for a variety of reasons. Similarly, OSN is defined by Preece and Maloney-Krichmar (2005) as "people who come together for a particular purpose, and who are guided by policies [. . .], and supported by software." Overall, OSN is an online virtual community where a user can create a profile and build a network of people with similar interests or activities (Kasavana et.al, 2010).

Social network sites (Ellison et.al, 2007) such as Facebook, QZone, VKontakte allow, individuals to present themselves, articulate their social networks, and establish or maintain connections with others. These sites can be oriented towards work-related contexts, romantic relationship initiation (the original goal of Friendster.com), connecting those with shared interests such as music or politics (e.g., MySpace.com), or the college student population (the original incarnation of Facebook.com). Participants may use the sites to interact with people they already know offline or to meet new people.

As we can see, the online social network is strongly linked with the usage of the information and communication technologies and allows us to interact with individuals and

companies that we know. We stated before that the online social networking site has had a great evolution in the last decade. The number of users has increased exponentially over the last years and so has the number of online social networking sites. The modern idea of online social network emerged in 2002 with the launch of the network Friendster by Jonathan Adams. This network was created from the model Match.com. Friendster is a pioneer in the development of social networking sites and focused on helping people stay in touch with friends and discover new people and things.

In the last 8-9 years, the evolution of the information era, and the increased use of the Internet, has led to the development of strong online social networks. Globally, Facebook and Twitter are the most commonly used, but there are other networks in North America where MySpace and LinkedIn are used quite often, Nexopia is primarily used in Canada.

Other online social networks are the following: Netherlands - Bebo, Hi5, Hyves; Germany - StudiVZ; Hungary - iWiW; Spain - Tuenti; South America , India, Central America - Orkut and Hi5; Asia and the Pacific Islands - Friendster, Mixi, Multiply, Orkut, Qzone, etc. As it can be seen in recent years, increasingly more online social networks appeared, with different profiles and uses. According to some estimates at this time (October 2014) there are over 300 worldwide social networking platforms that are used in strong manner which cater for different fields of activities.

With regard to the influences that act upon the consumer of the 21st Century, we can clearly state that these influences have changed greatly in the last decades due to the changes that took place in the behaviour of the consumer on one hand, and on the other hand the changes that the companies have made in order to communicate and interact with them. In the marketing literature (Cătoiu and Teodorescu, 2004; Kotler and Armstrong, 2008), are underlined several important influences that act upon the consumers. They can be seen from two different perspectives:

- Endogenous perspective –perception, motivation, learning / personality / information and attitude.
- Exogenous perspective – the social groups (family, membership groups, reference groups), social class, culture and subculture.

Understanding the concept of online social networking sites as well as the influences that act upon the consumers, will help us determine if these influences have been created by these new marketing and communication tools. We, as marketers and the companies, must try to find out if the OSN influences the decision making process of the consumer in general or certain stages of said process. This is the challenge of the next period if we want to maximise the effectiveness of such a powerful marketing tool.

3. Research methodology

The aim of the qualitative research is to understand how the usage of online social networking sites influences the consumer and their buying behaviour. The research that we developed was qualitative marketing research based on a marketing research in-depth interview that was carried out on a number of 14 individuals of Sibiu County that are frequent users of at least one major online social networking site (eg. Facebook, LinkedIn, Google+).

This qualitative marketing research has an exploratory character and is part of a larger marketing research and is designed to understand and clarify several attitudes, influences and behaviours of the OSN users. We have developed a recruitment questionnaire (Cătoiu et al., 2009) which was based on several statistical figures that describe the users of online social networking sites of Romania (www.socialbreakers.com):

- Male / Female user ratio – 51% vs. 49%;
- Age groups: 25 – 34 years old – 33%; 18 – 24 years old – 27,7%; 35 – 44 years old – 17%; other age groups – 22,3%.

For the development of the research we have created an interview guide which contains 9 main open questions that are related to the fulfilment of the main scope of the qualitative research. The duration of each interview was between 20 and 40 minutes.

In order to carry out the research we developed several specific objectives:

- O_1 – Identifying the importance thatowning an OSN account has on the respondents.
- O_2 – Determining the number of accounts known and owned by the respondents.
- O_3 – Determining the average time spent on an OSN.
- O_4 – Identifying the technological means by which the users connect to their OSN account.
- O_5 – Determining the main activities undertaken on an OSN;
- O_6 – Identifying the advantages and disadvantages of owning an OSN account.
- O_7 – Determining the main OSN influences that act upon the consumers.

After the completion of the interviews, each response was transcribed, mentioning the breaks in the research process. Following the previous stage, we have analyzed the content of the responses based on a response grid and following the specific objectives of the research. The content analysis of each interview followed three main steps:

- each interview was divided in units following each objective;
- each unit was identified and grouped in homogenous and exclusive categories;
- each category is analyzed according to frequency, importance and other pre established rules.

Without a doubt, we must be aware of certain errors and limitation of our research such as the lack of clear statistical data regarding the usage of online networking sites in the Sibiu County area, due to the ever-changing structure of the users. Another limitation could be taken into account is the deliberate or unintentional distortion of the information given by the respondents.

The deliberate distortion was reduced by selecting the participants that were willing to take part in the research, but unfortunately the unintentional distortion of the responses could not have been avoided and some of the respondents might have offered information that would present the situation in a more favourable light even though the purpose of the research was presented to the respondents.

4. Research results

After the analysis of the responses offered by the participants to the study, several important responses could be drawn in order to respond to the specific objectives and the purpose of our research. The first question (linked to the **O_1**) of the interview guide was related to the importance of owning an OSN account. The results for these two questions can be seen in figures 1/

Figure 1: Importance of owning an OSN account
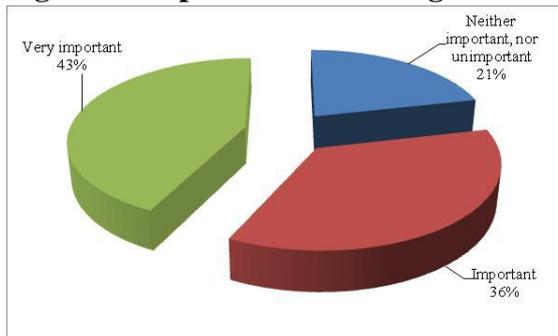
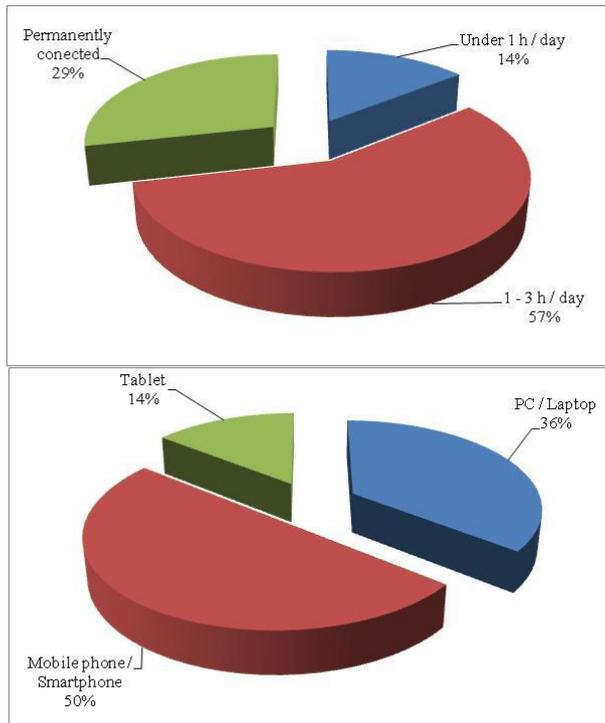*(Source: Authors' computation)*

As we can see from the result of figure 1, the great majority (79%) of the respondents' state that owning an OSN account is: *important and very important* for them. The rest of 21% of the responses are assigned to those that consider that owning an OSN account is neither important nor unimportant - you just have to be there and have such an account.

The second objective **(O_2)** deals with the number of accounts owned by the respondents, the respondents have shown the following: (1) all of the respondents stated that they have and Facebook.com account; (2) more than one third of them mentioned that they have a second or a third OSN account on platforms like LinkedIn, Google+ or Twitter. Related to the same objective we have asked a second question about the known OSN sites known by the participants. They have stated that their knowledge is fairly limited to the OSN sites that they use and some of them (21,4%) mentioned that they have heard of QZone, VKontakte and earlier sites like MySpace, Friendster or Hi5.

The next two questions of the research were asked in order to cover objectives O_3 and O_4. The results of the data analysis are presented in figures 2 and 3.

Fig. 2 Average time / day spent on an OSN

**Fig. 3 Usual method of connecting to OSN**

(Source: Authors' computation)

From the analysis of the data, as it can be seen in figure no. 2, we can see that 57% of the respondents spend between 1 – 3 h / day on an OSN; 29% of the participants state that are permanently connected to an OSN and 14% of the respondents spend less that 1 h/day on an online social networking site. Regarding the method of connecting to an OSN, 50% of the respondents are staying connected via a mobile phone / Smartphone; 36% are connected with a PC of a Laptop and last but not least 14% of them connect with a tablet.

The next objective of our research (O_5) tasked the respondents to state the main activities that they undertake on an OSN account. The analysis of the research data, presented in figure 4, show the following results:

- Keep informed / News / Advertising – 85,71%;
- Communicate with friends – 71 ,43%;
- Watch friends' photos / activities – 57,14%;
- Post photos – 42,86%;
- Use messenger service – 35,71%;
- Play games – 21,43%.

**Fig. 4 Main activities undertaken on his / hers OSN account**
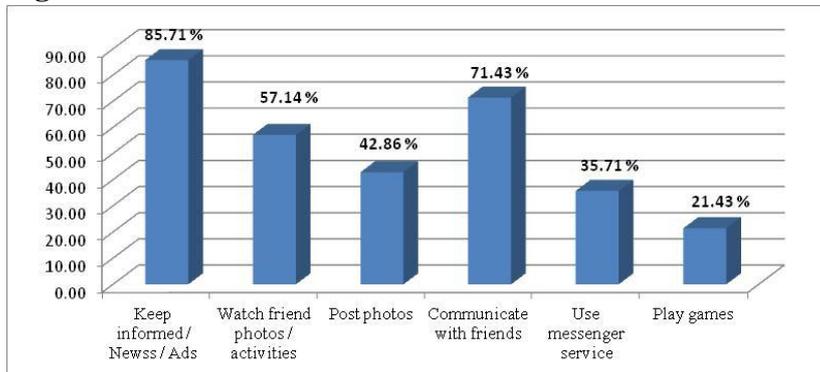
(Source: Authors' computation)

The 5th objective (O$_5$) of our research deals with the advantages and disadvantages that the consumers feel when using / owning an OSN account. The main advantages of having an OSN account are, according to the respondents, the following: (1) Keep up to date / Always informed; (2) Having information about different aspects: news, advertising, cultural events, products etc; (3) Connect with friends, family, acquaintances. With regard to the disadvantages of owning and using an OSN account, the most common ones mentioned by the respondents were: (1) lack of confidentiality / everybody has access to you ; (2) indirect socializing; (3) waste of time etc.

The last objective of our research (O$_7$) was directed towards identifying the main influences that the online social networking sites have on the consumers, as well as the level of those influences. The results of this question are presented in the next figure 5.

Fig. 5 Main influences that the OSN sites have on consumer
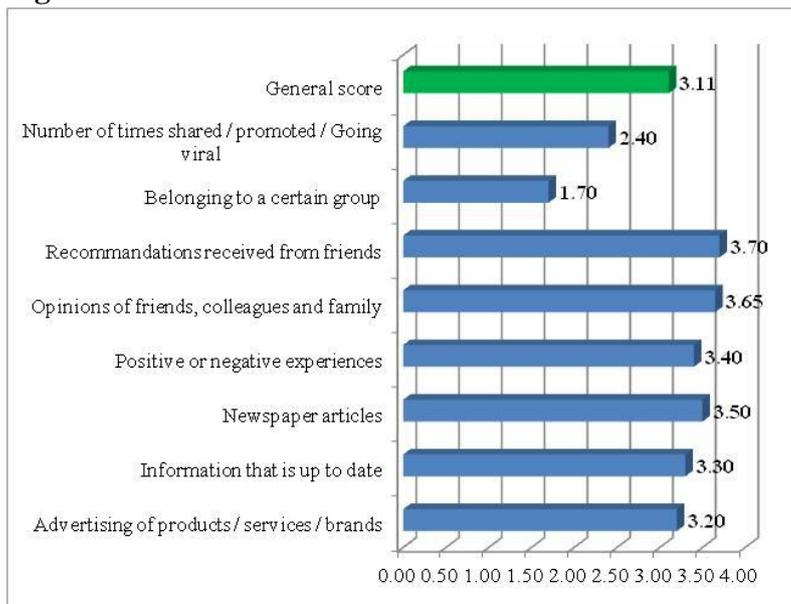
(Source: Authors' computation)

As we can see from the analysis of the data, the influences of the online social networking sites on the consumers are not very strong. They range (on a 5 steps Likert scale score) from 1,70 to 3,70 with a general score of 3.11 (were 1 – very little influence and 5 – very strong influence). We can see that the strongest influence on the consumers is that of the recommendations received from friends (score: 3,70), followed closely by the opinions of friends, colleagues and family (score: 3,65) and on the weakest influence is exercised by number of times shared / going viral (score: 2,40) and belonging to a certain group (score of 1,70).

5. Conclusions and acknowledgments

The world is in a continuous state of change and o development. In the last 2 decades, the new communication and information technologies have revolutionized the way the individuals interact and communicate with one another. Since the beginning of the '90, when the first web page was created by Tim Barnes Lee, to the development of the Windows Microsoft operating system, to the creation of the first e-commerce site, to the explosive development of the Smartphone and Tablets and last but not least the unprecedented development of the online social networking sites, the world is no longer the same.

These new changes and developments have created a new and ever-changing business environment that has also modified the way the companies do business and interact with their consumers (either individuals or organizations). The last decade has although created a new marketing (the online social networking sites) tool that can be used cheaper, faster and which can reach sometimes up to 20% of the world population (Facebook.com has over 1,2 billion users worldwide).

This explosive development of the online social networking sites has opened up new research areas for the marketing specialist. It has become apparent and in the same time necessary to understand how this online platform can help or harm the business environment and in the same time haw does it influence the consumers. Our paper which, like stated before, is part of a larger marketing research (containing a quantitative research based on in-depth interviews and a qualitative research based on a questionnaire) aimed to understand how the consumers are influenced by the online social networking sites.

This article has presented in its first part a short literature review where were the concept and evolution of OSN was underlined as well as several aspects related to the influences that act upon the consumer behaviour from a theoretical point of view. In the second part we have presented the research methodology (where we presented 7 research objectives) and the research results which underlined the following:

- 79% of the participants stated that owning an OSN account is important and very important.
- All the respondents have an OSN account (Facebook.ro) and the most well known online platforms are: Facebook.com; Google+; Twitter; LinkedIn.
- The majority (57%) of the respondents spends 1-3 h/day on a OSN site and 29% of them are permanently connected.
- The most common method of connecting to ones OSN account is the Smartphone (50%).
- The greatest advantage of having and using an OSN is: Keep up to date / be informed;

- The greatest disadvantage of having and using an OSN is: lack of confidentiality / everybody has access to you.
- The main activities conducted on an OSN account are: Keep informed (85,71%) and communicate with friends , family etc (71,43%).
- The strongest influences of OSN sites on consumers and their consumer behaviour are: recommendation from friends, opinions from friends and family, while the weakest influence is belonging to a certain group.

Of course due to the small sample of the research, we can't extrapolate and generalize the results of the research to the total population of online social networking sites users of Sibiu County or of the 7 Center Region. But this is an important first step in identifying several important influences that the OSN sites have on the consumer and its decision making process. It is necessary to further the research by developing and applying a quantitative marketing research with the same aim.

Following this qualitative marketing research, previously conducted researches (Fuciu and Gorski, 2012, 2013; Fuciu et. al: 2012) together with a quantitative marketing research conducted on a representative sample level for the Sibiu County or of the 7 Center Region, especially taking into account the pattern of the OSN users, can reveal an important indicator and can validate a possible model that underlines the influence of online social networking sites on the consumers' buying behavior of the said geographical region.

6. Bibliography:

1. Balas, J. (2006), "The social ties that bind", *Computers in Libraries*, Vol. 26 No. 2, pp. 39-41.
2. Boyd, D.M., Ellison, N., B., (2007) Social network sites: a definition, history and scholarship, *Journal of Computer Mediated Communication*, vol.13, (1), http://jcmc.indiana.edu/vol13/issue1;
3. Bolotaeva, V., Cata, T., (2011) Marketing Opportunities with Social Networks, *Journal of Internet Social Networking and Virtual Communities,* vol. 2011, p. 8, DOI: 10.5171/2011.409860;
4. Cătoiu, I., et al. (2009), *Cercetări de marketing - tratat,* Urnaus Publishing House, Bucharest,
5. Cătoiu, I, Teodorescu N., (2004) *Comportamentul Consumatorului,* 2nd Edition, Uranus Publishing House, Bucharest.
6. Diffley, S., Kearns, J., Bennett, W., Kawalek, P., (2011), Consumer Behaviour in Social Networking Sites: Implications for Marketers, *Irish Journal of Management*, vol. 30 2, pp. 47 – 65;
7. Ellison, N. et. al, (2007) The benefits of Facebook "Friends": Social capital and college students' use of online social networking sites*, Journal of Computer Mediated Communication ,* vol. 12, pp. 1143 – 1168; doi:10.1111/j.1083-6101.2007.00367.x
8. Feng F. et. al (2008), Empirical analysis of online social networks in the age of Web 2.0, Journal *Physica A,* vol. 387, pp. 675 – 684, doi:10.1016/j.physa.2007.10.006
9. Fuciu, M., Dumitrescu, L., Luncean L., (2012) – Study on the usage of online social networks by university students from Sibiu County and its impact on organizations,

5th *International Conference on Marketing – Marketing from Information to decision*, Babes-Boliay University of Cluj Napoca, October 25 – 26, pp. 121 – 135.

10. Fuciu, M., Gorski, H., (2012), Online social networks – a comparative analysis for the marketing world, *Proceedings of the 19th International Economic Conference "The persistence of the global economic crisis: causes, implications and solutions"*, Lucian Blaga University of Sibiu, June 15, pp. 270 – 279.

11. Fuciu M., Gorski H. - *Marketing Research Regarding the Usage of Online Social Networking Sites by High School Students,* International Economic Conference of Sibiu 14 – 15 june 2013 Post Crisis Economy: Challenges and Opportunities, IECS 2013, published in *Procedia Economics and Finance,* volume 6, 2013, pp. 482–490;

12. Kasavana M. et. al (2010), Online social networking: redefining the human web, *Journal of Hospitality and Tourism Technology,* vol. 1, no. 1, pp. 68 – 82.

13. Kotler P., Armstrong, G., (2008) *Marketing Principles,* 4th edition, Teora Publishing House, Bucharest, p, 209.

14. Kim, W., Lee, C. and Hiemstra, S. (2004), "Effects of an online virtual community on customer loyalty and travel product purchases", *Tourism Management*, Vol. 25 No. 3. in Kasavana M. et. al (2010), Online social networking: redefining the human web, *Journal of Hospitality and Tourism Technology,* vol. 1, no. 1, pp. 68 – 82.

15. Preece, J. and Maloney-Krichmar, D. (2005), "Online communities: design, theory, and practice", available at: http://jcmc.indiana.edu/vol10/issue4/preece.html

16. Trusov, M., Bodapati, A. V., Bucklin, R. E. (2010), Determining influential users in Internet social networks, *Journal of Marketing Research,* Vol. XLVII, pp. 643-658, in Karlicek, M., Tomek, I., Hasprova, M., (2012), Social Networking Sites in the Czech Republic: an empirical study, *Management & Marketing Challenges for the Knowledge Society* (2012) Vol. 7, No. 1, pp. 15-28;

17. Veghes, C., Pantea, C., (2009) Social networking: reasons to join and things done by the romanian consumer, *Analele Universităţii din Oradea – seria economică*, vol. 4 (1), pp. 869-873;

18. Wasserman, S., Faust, K., (1994) *Social Network Analysis: Methods and applications*, Cambridge Univ. Press, in Hu, H., Wang, X., (2009), Evolution of a large online social network, *Physics Letter A Journal*, vol. 373 nr. 12 – 13, pp. 1105 – 1110.

19. Zarrella, D., (2010), *The social media marketing book,* O'Reilly Media Inc, Sebastopol, California, SUA, p. 55.