Leveraging Social Network Sites for New Product Launch

Deborah Roberts, University of Nottingham, Nottingham University Business School, UK
Mathew Hughes, Loughborough University, School of Business and Economics, UK
Marina Candi, Reykjavik University, School of Business, Iceland

Abstract

Purpose – The ability to make use of social network sites (SNSs) to promote new products and facilitate positive word of mouth around new product launch (NPL) presents an important opportunity. However, the mechanisms and motivations of SNS users are not well understood and businesses frequently fail to realize these opportunities. This paper examines some of the forces that motivate people to spend time on SNS sites and how these motivations are related with people’s propensity to engage in behaviours that can be beneficial for NPL.

Design/methodology/approach – Hypotheses are tested using data collected using an online survey from a broad sample of SNS users worldwide.

Findings – People who spend time on SNSs to be challenged, to escape, or to connect with others are more likely than other users to pay attention to advertisements on SNS. Users that spend time on SNSs in the pursuit of information, to be challenged, or to connect with others are more likely than other users to provide word of mouth reviews and recommendations about products.

Research limitations/implications – The sample is comprised of 40% of Facebook users.

Practical implications – By understanding what motivates SNS users, firms can identify potentially valuable users and develop a more strategic and targeted approach to NPL. This can help firms turn disappointing social media campaigns into more successful ones.

Originality/value – This study provides new insights about the use of SNSs for NPL and what motivates users to engage in behaviours that are beneficial to NPL.

Keywords – Social Media, New product launch, Social Networks, Motivation theory, Advertising.

Paper type – Research paper
Introduction

New product launch (NPL) constitutes the final, and often very expensive, stage of the innovation process. Successful NPL is a key driver of business performance (Bruce et al., 2007; Di Benedetto, 1999; Hultink et al., 1997) and is vital to ensure income streams, and growth (Pauwels et al., 2004). As such, it represents a major commitment in terms of the marketplace and resource allocation (Hultink et al., 2000). However, despite the importance of NPL, research in this area remains under-developed (Calantone & Di Benedetto, 2012), and the successful introduction of new products to the market continues to be a key challenge for managers (Kuester et al., 2012). Complicating this matter, it is not sufficient for new products to be innovative and have a clear product advantage (Langerak et al., 2004; Henard & Szymanski, 2001); they also need to be communicated effectively and launched in innovative ways. Novel opportunities to do so are rapidly emerging as new Internet-based technologies, and in particular social network sites (SNSs) become an integral part of the innovation landscape. According to Ainin et al. (2015), using platforms such as Facebook has become ‘a must’ for business. The various SNS platforms differ in both their scope and functionality (Kane et al., 2014). Some applications are largely text-based and relatively simple, whilst others, e.g. Facebook, enable creativity and the sharing of text, pictures and videos (Kaplan & Haenlein, 2010).

Existing research has attempted to identify the determinants of successful NPL (Calantone & Di Benedetto, 2007; Harmancioglu et al., 2009), and has focused primarily on the strategic and tactical decisions undertaken (Hultink et al., 2000; Guiltinan, 1999; Di Benedetto, 1999). Tactical decisions tend to focus on traditional elements of the marketing mix, such as how to price and promote new products. However, other possibilities such as the use of SNSs for product launch have received little attention to date—presumably because of their relatively recent emergence. Many firms have rushed to SNSs in the hopes of profiting from the potential opportunities afforded. Similarly, scholars have been eager to provide evidence of these opportunities, but may have neglected the complexities of engaging with SNS users and under-appreciated the challenges of leveraging the potential of SNSs (Roberts & Candi, 2014; Roberts & Pillar, 2016; Marion et al., 2016). We contend that anecdotal validation about the value of SNSs is at risk of outpacing its conceptual and empirical development, particularly regarding why it might be valuable and how such value might be accrued.

Given the phenomenal growth in SNS use and the potential to improve new product performance, understanding how to leverage SNSs for the successful launch of new products is an important priority for research and practice. Proficiency in NPL activities is an essential
requirement for new product success (Maidique & Zinger, 1984; Langerak et al., 2004), but what understanding is needed to be proficient in an age of social connectivity? In an environment crowded with virtual communities (Rheingold, 2000) and users deeply engaged in social networks (Lea et al., 2006), it is important to understand what motivates users to spend time on SNSs and how these motivations are related with users’ propensity to engage in behaviours of value for NPL. Examining these issues is important as individuals generally do not enter or spend time on SNSs to engage with firms or learn about their new product launches but to meet their own socially-oriented goals (Piskorski, 2011). Only by understanding users’ motivations and behaviours can firms potentially hope to leverage them for NPL.

By understanding SNS users’ motivations and expected behaviours in engaging with SNSs, we can start to comprehend how firms can leverage SNS users to benefit their NPL activities and develop new NPL strategies that are fitting for the social networking era. We focus on two specific behaviours, firstly, the more passive behaviour of paying attention to advertisements on SNSs, and secondly, the more active behaviour of providing word-of-mouth (WOM) reviews or recommendations about products.

To achieve our objectives and provide evidence about what motivates people to spend time on SNSs and how these motivations are related with the propensity to exhibit behaviours of value for NPL, a survey was conducted among over 200 users of SNSs. The sample includes SNS users of all ages from around the world. It includes users of the currently popular SNSs and also offered the opportunity for respondents to answer for less well known SNSs.

The remainder of this article is structured as follows: first we outline the theoretical background and develop hypotheses. Second, we describe the data collection and analysis. Third, we present the results of the data analysis. The paper closes with a discussion of the findings and implications for theory and practice.

**Theoretical Framework and Hypotheses**

With the emergence of a broad spectrum of SNSs, traditional NPL practices and the marketing communication activities associated with the launch of new products are coming under scrutiny. Users of SNSs are able to speedily communicate their likes and dislikes with millions of users, magnifying or compromising the effect of marketing communications in the marketplace (Mangold & Faulds, 2009). The launch of Apple’s Watch exemplifies the situation; the new Watch, while considered ingenious by many was also a subject of ridicule by SNS users who took the opportunity to mock its launch with a selection of memes. This is a
good example of how firms find themselves launching new products in an environment in which power has shifted from the firm to the user (Berthon et al., 2012; Shah, 2010). They can no longer rely on traditional ‘push’ strategies to sell their products and services, and are increasingly trying different approaches to bring products to the market and listen to users (Gassman & Gaso, 2004; Urban & Hauser 2004).

The possibility of using SNSs for NPL is growing in importance as it is at the launch stage that users are most likely to take an interest in new products on SNSs (Heller et al., 2014). Engaged customers on SNSs, and those with a sense of belonging towards a brand (Hsu, et al., 2015) are in a prime position to notice advertisements relating to NPL and become advocates for new products in authentic ways that appeal to other users (Fournier & Lee, 2009). It is here that marketing communications, such as messages on SNSs and connecting with SNS users, can play a vital role in conveying information about a new product and establishing a position in the market. Learning that a new product exists is the first step in the adoption process and creating media buzz around a new product is a prime activity as informed customers are needed to start the diffusion process (Lopez & Sicilia, 2013). However, the forces and mechanisms at work are poorly understood (Roberts & Candi, 2014).

For the most part, individuals do not engage with SNS to connect with firms (Piskorski, 2011), although it is increasingly the intent of businesses to connect with such users and co-opt them as resources in their activities. Rather, individuals’ participation in network- and group-based virtual communities on SNSs is driven by their social identity within these communities (Dholakia et al., 2004). For firms to leverage SNS users for NPL, they must understand the reasons that drive SNS use and the behaviours that can be expected depending on these motivations. We posit that when a firm understands the motives driving people to participate in SNSs, and so their behaviours, this understanding can be leveraged to identify the types of SNS users a firm could target in its NPL activities. Only with such understanding can firms hope to strategically leverage SNSs for NPL.

Attention to Advertisements on SNSs

The ability to successfully launch a new product depends on a firm’s ability to create a desirable image of the product and position it in the mind of the customer (Ries & Trout, 1986; Langerak, et al., 2004), which is typically done through advertising. The design of the message and the quality of the communication process are critical to NPL success (Chen et al., 2007), but the design must ‘speak to’ the user and evoke a response. To this end, market communications designed to create an image or position a new product are only effective if they are actually
noticed by a prospective customer, and are not felt to be obtrusive in what is often regarded as a personal social space, such as an SNS.

Traditionally, firms have used advertising in mass media such as television, press and radio to inform customers about new products and brands. The media uses and gratifications theory (Katz & Foulkes, 1962) was developed when television advertising was dominant, but it is also relevant for understanding users in online contexts (Dholakia et al., 2006; Stafford et al., 2004). According to this theory, using media can help people to satisfy their psychological and social needs (Katz et al., 1973; Rubin, 1983). It acknowledges that people use media to satisfy specific goal-directed needs. Examples of the gratifications sought include entertainment, diversion and information. Individuals seeking entertainment and diversion engage for hedonic motives (Pöyry et al., 2013). These motives align with the reasons why individuals engage with virtual communities and then behave in particular ways therein (Dholakia et al., 2006).

On SNSs, advertisements differ from advertisements in traditional media in their form and delivery method. Some, such as banner advertisements and videos are simply adaptations of traditional media, whereas fan pages and Tweets have few counterparts in offline environments (Taylor et al., 2011). When using traditional media for NPL, the firm creates and delivers the content or message (Onishi & Manchanda, 2012), but in an SNS context, users are able to send advertising-related content to each other, e.g. using Tweets. The opportunity to engage and interact with the media and content (Ainin, et al., 2015) can provide entertainment value (Nahai, 2012) and gratification (Katz et al., 1973).

Recent studies have sought to shed light on the characteristics of people with a propensity to engage in and with online product-related marketing activities (Pöyry, et al., 2013; Jeng et al., 2015), and connection strategies used by SNS users with each other (Ellison et al., 2011). Collectively these studies suggest that hedonistic motives for SNS use encourage greater participation by users in conversations about items that further facilitate entertainment, escape and diversion while also increasing browsing activity (Pöyry, et al., 2013). Furthermore, that individuals engaging in such ways do so to extend their exposure to value propositions that align with their motives, which themselves are embedded in their sense of social identity (Dholakia et al., 2006); and in doing so that individuals grow their network among like-minded individuals (Ellison et al., 2011) with similar objectives (Jeng et al., 2015) and characteristics (Punj, 2013).

Behaviour can be viewed as a function of motivation, which can be thought of as an antecedent that compels some form of human behaviour to occur (Roberts et al., 2014). It energizes
behaviour and gives direction to action (Deci & Ryan, 1985). Nambisan (2002) argues that there has to be some form of benefit associated with what is essentially a voluntary action, such as paying attention to advertisements, and that this can take many forms. For example, motivation researchers have spoken of satisfying experiences that come from subject-object interaction within a particular situation (Abbott, 1955). Such experiences are typically hedonistic in nature and take the individual away from mundane everyday life by offering new challenges. Individuals that seek to experience stimulating challenges often do so for egotistic reasons (Csikszentmihalyi, 1991). When a user engages for such egotistic reasons, the likelihood that they become more sensitized to new information that extends those perceptions of challenge is likely to increase. For example, evidence suggests that as online behaviour is often driven by a search for new experiences, challenges and sensory stimulation (Cotte et al., 2006), this can lead to a state of deep involvement (Pöyry, et al., 2013; Csikszentmihalyi, 1991) in which consumers have been found to explore new sites and click on unfamiliar links to find yet further new and interesting experiences and challenges (Cotte et al., 2006). Thus, we hypothesize that:

Hypothesis 1: Users’ engagement with SNSs to be challenged is positively related with their attention to advertisements on those sites.

Dholakia et al. (2004) reported that an individual participating in a virtual community develops a social identity in which a self-awareness of similarities with other members, and dissimilarities with non-members, develops. From an NPL point of view then, any interaction an SNS user has within that context has to be rewarding to them within that social setting (Bagozzi, 1975). Hedonic motivations are powerful because they entail fun, pleasure, enjoyment or playfulness (Babin et al., 1994; Batra & Ahtola, 1990; Pöyry, et al., 2013). Hedonic motivations are therefore egotistic in nature and an SNS setting speaks to opportunities for the individual to live a life that is different from the day-to-day (Roberts, et al., 2014). Engaging in SNS use affords individuals opportunities for escape, and escapism and fantasy are related to egotistic consumption experiences (Holbrook, 1995, 2006). In such cases, individuals will then seek other consumption experiences that extend these feelings (Holbrook, 2006).

In turn, users are more likely to be sensitive and sensitized to advertisements because they offer additional ways to extend the identities they are forming by extending opportunities for escape. As avenues to extend escape, research suggests that SNS users are more likely to click and explore unfamiliar material (Cotte et al., 2006). Therefore, we hypothesize as follows:
Hypothesis 2: Users’ engagement with SNSs as an escape is positively related with their attention to advertisements on those sites.

Word-of-mouth on SNSs

Of particular interest to managers working on NPL is the potential power of word-of-mouth (WOM) communications by SNS users (Mangold & Faulds, 2009). WOM has both a persuasive communication effect and a diffusive effective. People deem peer reviews and recommendations to be more trustworthy and credible than communication from businesses (Shu-Chuan & Kim, 2011, Brown et al., 2007). Content is felt to be more genuine and reliable when shared with and communicated through friends (Piskorski, 2011) and positive affirmations such as ‘likes’ on Facebook can help generate interest in NPL activities and increase early product acceptance. By using SNSs, the WOM process has magnified and gained rapid momentum (Lindgreen et al., 2013; Li & Du, 2011). Messages can reach people that are unconnected in a very short space of time. WOM communications can exponentially increase the exposure of a firm, its product and its messages as well as uncover previously unarticulated user experiences (Pedrosa, 2012).

A fundamental objective of marketing activities at product launch is to speed up the rate of adoption, the process by which individuals accept and use new products (Rogers, 1983) and diffusion of the new product into the marketplace. The importance of positive WOM in stimulating product adoption has long been recognized (Arndt, 1967; Katz & Lazarsfeld, 1955). Firms that are proficient in developing their marketing communication strategies can influence product adoption and so maximize the chances of NPL leading to product acceptance (Cooper & Kleinschmidt, 1994).

WOM is a consumer-dominated marketing channel (Brown et al., 2007) through which informal advice about products and services is communicated to adopters and potential adopters (Huang et al., 2011). Kawakami et al., (2013) differentiate between pWOM, the exchange of information that typically occurs through conversation and vWOM, electronic or virtual communication often between strangers. They note how the importance of vWOM has increased and online forums are often used to post new product reviews. However, by its very nature, WOM on SNSs is difficult for firms to control as it falls under what Wikman (2013) refers to as libre openness, since firms have little if any control over what users say about their products on SNSs.

We posit that users driven by a motivation to seek information may be the prime candidates for WOM activity. In contrast to the hedonic motivations discussed above, SNS users might also engage for more utilitarian reasons (Pöyry, et al., 2013). Individuals who seek information will use
a medium for the rational utility it offers (Punj, 2013). Users may be motivated to engage with SNSs because they are seeking information about products (Jeng et al., 2015) and participation behaviour has been associated with referral intentions (Pöyry, et al., 2013). Thus, to attract the attention of those SNS users likely to contribute WOM recommendations requires leveraging this information-seeking motivation. Jeng et al. (2015) found that information-oriented individuals participate in SNSs for their research-based features in addition to, or as opposed to, their social features.

As WOM is an information-oriented activity, the motivations driving an individual to engage in SNS use that may then go on to make WOM referrals is likely to be about gaining information. Motivation researchers have spoken of individuals seeking to achieve goals to create a desired future state and outcomes relevant to their needs or goals. Such outcomes are utilitarian or instrumental in nature. Utilitarian motivations are goal-oriented and rational, aligned with a desire to extract a specific utility from SNS engagement. These would be expected to take the form of information-seeking behaviour (Hennig-Thrau & Walsh, 2004). Engaging with SNS is beneficial in this sense because of the information advantages of social networking (Burt, 1992, 2005) coupled with low communication costs (Ellison et al., 2011). There is also evidence that consumers enjoy obtaining information for its own end, and information seeking is a fundamental online user activity (Nahai, 2012). Since WOM is influential in terms of its impact on product judgments, assessing product quality, attitude formation and purchase decision making, more so than that of traditional marketing communications (Bone, 1995; Shu-Chuan & Kim, 2011), information-seeking individuals are likely to engage in WOM because of its high information component, using that information and reciprocating it back to the user group (e.g., Dholakia et al., 2004) through WOM. We therefore hypothesize that:

_Hypothesis 3: Users’ engagement with SNSs to obtain information is positively related with their contribution of WOM recommendations on these sites._

As is true of services in general (Beltagui et al., 2016), individuals commonly participate in SNSs to form or join communities to fulfil wider social needs and form connections with like-minded others (Cummings, et al., 2002; Jeng et al., 2015; Latham & Pinder, 2005). Ellison et al. (2011) report that social information-seeking behaviours contribute to perceptions of social capital among SNS users and such connection strategies are one form of behaviour socially-oriented individuals use to connect with others with legitimacy. This behaviour also signals the authenticity of the individual’s social identity to a group of other users (e.g., Dholakia et al., 2004). Thus, further understanding a user’s motivation to engage in SNS use requires
acknowledging the social setting. Within a social setting, a prime driver of motivation is the desire to build new connections with like-minded people (Roberts et al., 2014; Hennig-Thrau & Walsh, 2004; Beltagui et al., 2015). Greater embeddedness in a network of relationships also increases exposure to knowledge (Granovetter, 1985).

Within virtual communities that form around users of SNSs a form of social identity develops (Dholakia et al., 2004). As a result, users develop self-awareness about the membership of that community, including information about similarities with other members and dissimilarities with non-members (Dholakia et al., 2004). Individuals will then seek new connections with similar others because these users can be readily identified in a cognitive sense. As positive WOM about products and services is one of the most influential sources of marketplace information, those users who are motivated to connect with others are likely to engage in WOM and be receptive to the WOM of others as it signals their similarity to others. Thus, we hypothesize as follows:

_Hypothesis 4: Users’ engagement with SNSs to connect with others is positively related with their contribution of WOM recommendations on these sites._

Methodology

Data

The hypotheses were tested using data collected with an online survey from a broad sample of SNS users. Since the research model includes two dependent variables and four independent variables, the decision was made to analyse the data using structural equation modelling (SEM) using Stata version 13. Following the recommendations of Kline (2015), the target was to obtain at least 200 usable responses to be able to analyse the data using SEM. The authors broadcasted requests to respond to the survey within their own personal networks and a firm was hired to broadcast requests to individuals, including people working in small and large businesses, and people working in government agencies. Responses were collected from all continents, but the largest proportion of responses came from Europe. A total of 268 responses were collected. Since the data were obtained through broadcasted requests, the response rate is not known. 8% of the respondents were 20 years old or younger, 31% were 21-30 years of age, 20% were 31-40 years of age, 23% were 41-50 years of age, 13% were 51-60 years of age and 5% were 61-70 years of age. 38% of respondents were male and 62% were female. Respondents were asked to indicate which SNSs they used regularly and answer the survey questions for the specific SNS they used most. 40% of respondents used Facebook most and answered the survey relative to their use of Facebook, 20% indicated they used Twitter most, 17% selected LinkedIn, 11%
YouTube, and the remaining 12% indicated a range of other SNS such as Google+, Pinterest, Reddit, TripAdvisor, to name a few examples. The average number of times the respondents visited their most used SNS in the two weeks prior to responding was 28, or twice per day. There was a wide spread in visit frequency as evidenced by a standard deviation of 45.

Crafting an appropriate sampling approach was not a straightforward task as the potential population of SNS users is huge. The sampling strategy started with the principle of taking a proportion of the population in order to test this smaller group and then generalize the findings to the larger population, a technique known as purposive random sampling (Kemper et al., 2003). This is not too dissimilar to the idea of stratification in which a researcher targets a particular sub-population within the wider population as a whole, for example, by way of a specific channel (e.g., social media, network connections) (Patton, 2002; Tashakkori & Teddlie, 2003). While appreciating the need for a representative sample, we realized that the key demand for the work rested not in the ability to generalize to a population but rather to generalize to theory, because it is the absence of such theoretical framing that has held researchers and managers back from being able to understand why the phenomenon of poor returns from social media activity is so apparent among firms (e.g., Ketonen-Oksi et al., 2016; Marion et al., 2016; Roberts & Candi, 2014; Roberts & Pillar, 2016). Hence, we sought to reach a broad group of people and broadcasted requests widely, adopting a purposive element. Using purposive random sampling as a sampling technique containing both a probability and purposive element (Teddlie & Yu, 2007), we were able to capture an appropriate sample of what is otherwise a very large population of SNS users. While not strictly random per se, this strategy offers a broad route to a diverse group of people relevant to the sample population and permits generalization to theory although it tempers generalization to a population.

Variables

The survey included a total of 59 questions about the reasons, or motivations, for why people spent time on their most used SNSs and their propensity to pay attention to advertisements and provide WOM recommendations on the SNSs. The items were adapted from existing validated scales as summarized in Table 1.

Exploratory factor analysis (EFA) with varimax rotation including the 59 survey items was conducted as a first step in identifying variables in the data and dropping items that were not unambiguously associated with these variables (Hair et al., 2010). The EFA indicated 6 variables accounting for 84% of the variance. The 38 items having loadings of at least 0.5 on one of the 6 variables and no cross-loadings over 0.3 on other variables were retained (Hair et al., 2010). The
The next step was confirmatory factor analysis (CFA) for scale refinement (Shah and Goldstein, 2006). The 38 items retained following the EFA were included in an initial covariance-based measurement model using the maximum likelihood method. A two-step process was followed (Shah and Goldstein, 2006). First, items having loadings of less than 0.7 on their variables were eliminated. This resulted in the elimination of 4 items. Second, covariances between item error terms were examined and where there were large covariances between pairs of error terms a decision was made about whether to drop one of the items or allow the two items to covary. These decisions were made based on evaluations of face validity. The final measurement model consisted of 28 items loading on the 6 variables. Fit statistics were good with \( \chi^2 = 831 \) (345 degrees of freedom), root mean squared error of approximation (RMSEA) = 0.071, comparative fit index (CFI) = 0.91.

The variables, items and item loadings are shown in Table 1 along with average variances extracted (AVE) and composite reliabilities (CR). All AVEs are over the commonly accepted threshold of 0.5 and all CRs are over the commonly accepted threshold of 0.7.

| INSERT TABLE 1 HERE |

Respondents provided data for both the dependent and independent variables, which made it necessary to check for common-method bias. A Harman’s test was conducted and resulted in the expected factors with no substantial cross-loadings, which provides reasonable confidence that the data were not plagued by common-method bias.

Findings

Hypothesis testing

The research model is shown in Figure 1.

| INSERT FIGURE 1 HERE |

Structural equation modelling was used to test the hypotheses. The results are shown in Table 2.

| INSERT TABLE 2 HERE |

As can be seen from Table 2, all four hypotheses are supported. People who spend time on SNSs to be challenged or to escape are more likely to pay attention to advertisements than people who are less interested in being challenged or escaping. People who spend time on SNSs...
to gain information or connect with others are more likely to provide WOM advocacy than those who are less interested in gaining information or connecting with others.

Additional post hoc analysis

As a robustness test to pre-emptively and purposefully examine the appropriateness of our model and analysis (Shaw, 2012; Vorhies et al., 2011), we tested a second model with paths included between the variables for challenge and escape motivations and word-of-mouth advocacy and between the variables for information gaining and connection motivations and attention to advertisements. This post hoc analysis offers a degree of completeness and the results are shown in Table 3. Here we see that not only the challenge and escape motivations are related with attention to advertisements but also the motivation to connect with others. We also see that those who visit social network sites to be challenged are more likely than others to provide WOM advocacy.

INSERT TABLE 3 HERE

Discussion and Conclusions

There is a growing view (Faraj et al., 2011) that online communities can offer important opportunities for collaboration between individuals and firms. Nevertheless, there is a theoretical and empirical incompleteness in our understanding of why individuals engage in SNSs and what the implications might be for firms’ NPL activities. To date, scholars have considered individuals’ communications practices in using SNSs (Ellison et al., 2011), individual motives for participation in SNSs (Jeng et al., 2015), social influences of consumer participation in virtual communities (Dholakia, et al., 2004), and the characteristics of consumers who conduct online research and post reviews within online communities (Punj, 2013). To the best of our knowledge, to date only the work of Roberts and Candi (2014) has offered insights about the use of SNSs for NPL activities. However, without understanding what motivates users who are likely to engage in behaviours beneficial to NPL, such as paying attention to advertisements or generating positive WOM, there is no clear basis for firms to identify those SNS users that might be worth targeting. Our theoretical development and empirical findings offer contributions to scholars and managers to help resolve this issue.

Evidence of investments in SNS initiatives demonstrates that many firms have established a presence on SNS platforms. However, just establishing a presence does not enable firms to develop valuable relationships with users that are meaningful to the firms’ activities (Roberts &
Piller, 2016; Marion, et al., 2016). This work makes an important theoretical contribution by unravelling a set of motivations that capture why people choose to engage in SNSs and might be leveraged for NPL. Until now, studies of SNS users have not explicitly addressed the potential contribution of these users to firms’ NPL activities. The result is that while scholars and managers are aware of this group of individuals, they have been unable to explain or tap their potential for firms’ NPL activities. Our theoretical contribution described above offers a basis to resolve this conundrum.

We make an empirical contribution to knowledge by providing evidence about the categories of user motivations for engagement with SNSs that might be related with their contributions to NPL activities, namely paying attention to advertisements and providing WOM recommendations. This promises to be an important and crucial channel for future research as the importance of SNSs and their communities continues to grow.

Implications for managers

Firms have rushed to use SNSs because of their potential to reach millions of people. Learning how to take advantage of the behaviour and motivations of the users of SNSs for NPL is an important business goal. To this end, the ability to utilize SNSs to promote products and facilitate positive WOM is important. This is particularly pertinent as Onishi and Manchanda (2012) state that NPL is where firms tend to spend approximately half of their marketing budgets. Thus, getting this spending right is a non-trivial matter. If product managers approach social networking and SNSs without an appreciation of user motivations, they might waste considerable resources in the hope of achieving positive NPL outcomes. Our findings support managers in identifying SNS users that might behave in ways that are of value for NPL. By understanding SNS users’ motivations, managers can target potentially valuable users, and thus develop a strategic approach to leveraging SNSs for NPL. By speaking to these motivations, managers can hope to co-opt these users as allies in NPL activities.

Managers should actively look for individual users or groups of users that exhibit motivations of challenge, escape, information seeking and connection and find ways to fulfil these motives. If they do this, they can hope to engage SNS users likely to pay attention to advertisements and/or broadcast positive WOM about their products. Shrewd product managers can design NPL campaigns and deploy strategies that communicate in terms that speak to desires for challenge, escape and connecting with others and thereby increase the likelihood that SNS users will notice advertisements. Providing valuable information and managing users’ desires to establish new meaningful connections and be challenged can also co-opt these users into WOM advocacy.
Limitations and future research

People naming Facebook as their most used SNS made up 40% of the survey sample, which challenges the generalizability of our findings, but given the current overwhelming popularity of Facebook relative to other SNSs, this limitation was largely inescapable.

While we identified four specific motivations for engaging with SNSs through an analysis of our survey data, it is important to acknowledge that we may have missed other motivations that might also be related with the likelihood of contributions to NPL. SNS users are likely to be motivated by more than one force and thus future studies may wish to consider configurations or profiles of motivations and whether users exhibiting these bundles offer potential further and different forms of value to firms’ NPL activities.

Whilst the growth in usage of SNSs has important implications for business and NPL there are also wider societal implications. Arguably, even before the widespread adoption of SNSs, society has been in a state of flux and transition as people sought to liberate themselves from the norms and social codes of previous generations (Dahl, 2015). We have witnessed a rise of individualism, associated with values such as personal freedom and where people actively construct their own identities. Somewhat ironically, individualism has motivated people to seek alternative social activities and form communities, such as those on SNSs where they can fulfil their need for connection and belonging. SNSs appear to have accelerated this trend. However, it is currently unclear how this trend will impact both the individual and society as the boundaries between public and private spaces and communications begin to blur. This provides an interesting area for future research.

Conclusions

What understanding is needed to effectively leverage SNSs for NPL? This research reveals that an answer to this question lies in understanding SNS users’ motivations in engaging with SNSs. Given the phenomenal growth in SNS use and the potential to improve new product performance, understanding how to leverage SNSs for the successful launch of new products remains an important priority for research and practice. In an environment where users are deeply engaged in social networks (Lea et al., 2006), it is important to understand what motivates them to spend time on SNSs and how these motivations are related with their propensity to engage in behaviours of value for NPL. We find that users with different motives are more or less valuable to firms in terms of their, firstly, more passive behaviour of paying attention to advertisements on SNSs, and secondly, their more active behaviour of providing word-of-mouth reviews or recommendations about products. Armed with this knowledge, managers can now be
poised to create better NPL campaigns, understanding that individuals generally do not enter or spend time on SNSs to engage with firms or learn about their new product launches but to meet their own socially-oriented goals.

References


