

Online Consumer Behavior:
Theory and Research in Social Media, Advertising, and E-Tail

PREFACE

You've Been Poked

Friend me. Social media. Facebook. Tweet that. LinkedIn. Groupon. Re-tweet that. Buzz marketing. Face-time tonight? Un-friend him. These online terms and brands have changed the way of online consumer behavior, advertising, and branding. It is crucial to understand how consumers think, feel, and act regarding social media, online advertising, and online shopping. Business practitioners are looking for answers and solutions as to how to understand online consumer behavior so that they can maximize their online customer experiences to help instill brand loyalty. Non-profit managers or politicians, in a similar fashion, seek an understanding of online consumer behavior so that they can raise awareness and make online giving easy. Scholars have produced only the beginning stages of theory that can systematically explain and predict online consumer behavior, and this book will continue that objective.

Online advertisers know the importance of not just incorporating but also *embracing* consumer blogs, Facebook, Twitter, Linked In, MySpace, Digg, HowSocial, Groupon, and other social media to enhance their online presence. Yet, questions remain as how to synergistically leverage these online branding tools to increase the online consumer experience and hence value of their websites. Some of the world's leading brand visionaries such as Apple, as well as emerging brands like Trader Joe's align their corporate site and social media objectives to enhance online return on investment.

This theory-driven, research-based book will help address important questions for

scholarship and practice, such as:

- What are some industry best practices for measuring social media impact and brand visibility?
- How can social media channels help funnel more qualified leads, and lessen online cart abandonment rates?
- What is the role of user-generated content in today's online marketplace?
- How do consumers envision their online identity (e.g., via avatars), and how does their online identity relate with their offline identity?
- What is the role of trust and authenticity in an online presence?
- How do different groups, such as adolescents, men, or even politicians use and embrace social media differently?

By the end of this book, readers will understand more about online consumer behavior to help unify a website's business or non-profit goals with social media or e-commerce knowledge to maximize the return on investment of both channels.

This book has four fun sections. The first section covers **Consumers' Online Identity**. Online identity, in the virtual world and in the on-ground world, is increasingly an important pseudo-image for today's connected consumer. Interestingly, we will explore the role of avatars and how these consumer-generated online images accurately coincide with the consumers "real identity". In my dissertation research on e-dating (circa 2005), I found startling evidence that consumers' online identity in some drastic cases was highly exaggerated than their "real identity". One may do such exaggeration to enhance their sense of self-concept (perhaps even lying to themselves), or more drastically to lure an unknowing potential dating partner. It is of note that similar

findings of dissimilarity are presented in this volume, outside of the context of e-dating photographs and profiles, and in the context of avatars, or cartoon-based pictorial representations of the image an online consumer wishes to portray. In some cases, such avatars are brands, designers, sports teams, or other non-human images. While depersonalized compared to an avatar that is purported to look like the consumer, these non-human avatars, such as the Nike swoosh or the University of Texas Longhorn, are attractive and represent an image transfer from the brand to the person adopting their image.

It is unhealthy to fully understand online identity without considering the notion that there is more than one world in today's consumer's mind. There is the "real world", which, for many, consists of working, family, social activities, and shopping at bricks-and-mortar stores and service-providers. Some of this is difficult, if not impossible to do online. Until someone invents an application that can put gas in one's car, or bring their child to daycare, such interactions in the real world are necessary. A consumer has their "real-world" image. The twist is that this image is not necessarily congruent with their image in the virtual world. Behind the screen, a consumer may create a new identity, a new attitude, and in a sense, become a different person while online. As scholars, it is our duty to understand consumer identity in virtual worlds, and to delve into the important questions that can help us understand that virtual identities, are indeed real. Understanding such can help consumer-minded businesses and organizations cater better to customer wants.

Having an overview of online identity and virtual worlds set, section two, **Social Media, Blogs, and Privacy Issues**, makes the necessary link to social media and privacy

issues. One cannot have an intelligent conversation about social media without discussing the role of privacy, security, and related fears about one's personal and financial information. The thought of cyber-identity theft is enough to inhibit some consumers from shopping and banking online. It is key for us to explore consumer perception of both privacy and security. Doing so can help e-tailers make sure that they are accurately addressing concerns that their customers have, that could be preventing them from completing online transactions. Establishing the highest standards for privacy and security are important for online brand managers. Today's brand managers have a wealth of resources at their fingertips to help establish their brand's identity and to connect with their customers (and their friends) via social networking. That said, Facebook, Twitter, LinkedIn, and other social networking sites are not just tools for consumers to connect with each other (C2C). Instead, we must look at social networks as a brand management tool. Just as touch points with the brand are key at live events (e.g., sponsor signage at a sporting event), virtual touch points are a tool to help leverage those on-ground consumer relationships. While social networking can never replace the authenticity of a handshake and personalized service, these virtual touch points can reinforce extant relationships, or spark a new interest. Now, the question comes out, "do we as consumers actually want those online touch points with brands on our social networks?" I bring this question up as it has much relevance to the issues investigated in section 2, as well as in our own social networking experiences. I believe that there is some market resistance demonstrated (or at least at the attitudinal level) here. For some consumers, myself included, we feel that social networks are designed as a vehicle that connects us with people whom have at one point graced our livelihood. Be it old high-school pals, current colleagues, or yes, even

your parents, it is this constant connection with people that draws consumers to log on for hours on end to social networking sites. In fact, as noted in chapter 4, Facebook.com is the most visited site in America. Make these vehicles another way to market to us and sell to us, and we may resist. There could be the perception that marketers and advertisers are stomping on consumers' sacred territory. That said, if done correctly (i.e., precise targeting in a non-intrusive manner), there can be some nice, subtle synergies from online advertisers that can actually enhance one's social networking experience. For example, after I changed my Facebook status from "in a relationship" to "engaged", a sidebar on the social media site appeared from a wedding dress vendor. Life stage marketing at it's finest, the online advertiser understood psychologically what many women feel—that there are two important dresses in a woman's life—the prom dress and the wedding dress. So, yes, the dress is one of the first things on the newly engaged woman's mind, and Facebook and their advertisers were right there to assist in the search. (In case you are wondering...although I checked out the ad, I stayed local and gave my business to the dress shop in Vegas, because a girlfriend, also a Facebook friend, raved about their top-notch service.) Somehow, the platforms change, but the role of (electronic) word-of-mouth and relationships remains a stronghold to effective business.

This leads us right in to the role of such online advertising and how it impacts consumer attitudes, cognitions, and behaviors. Section three, **Online Advertising and Online Search Behavior** covers these timely topics. In many ways, online awareness and social media tactics are means to enhance online advertising effectiveness and consumer search. This section includes hot topics such as online political advertising, inventising, and how men use the Internet to search and shop. With respect to political advertising,

authors consider how online videos and ads can impact voter assessment. A political candidate's image is one of their most important assets, thus it is consequential to consider their online image. Next, the advertising chapter examines the influence of business to consumer (B2C) communication in social media on consumers' relationships with brands. The final chapter in this section considers male consumers' motivations to use the Internet to shop for their preferred brands, and how their online consumer behavior is distinct from a gender lens. Whoever said males were not born to shop must have lived prior to the e-commerce revolution, because males do like to shop—online especially.

To culminate the book, the final section (four) is on **E-tail Consumer Behavior and Online Channels**. This section is last because many of the aforementioned topics are precursors to getting consumers to e-tail sites, into virtual shopping carts, and hopefully converting cart placements into sales turned relationships. For any relationship, online or offline, trust is a key asset—for politicians and businesses alike. In this section, authors uncover the conditions in which trust makes a consumer re-patronize or stay loyal to an e-tailer. That said, it is important to consider what drives consumers to hybrid channels; thus, we explore hybrid channels from the consumer perspective. This culminates to the hybrid considerations of bricks-and-mortars retailers with e-tailers. We uncover how and why consumers use, and abandon their virtual shopping carts. This gets our field one step closer towards a theory of consumer electronic shopping cart behavior.

This group of authors has been a pleasure to work with. I have worked with this group of contributors to this project since 2008, when we put our minds together for a symposium about online consumer behavior preceding an American Marketing

Association conference. Since that time, the authors have worked very hard on their respective chapters, so please join me in thanking them for their ideas and time. You may even wish to friend them on Facebook. I sincerely hope that this book “pokes you” towards new ideas that will serve as a platform for scholars and for companies/organizations that wish to understand online consumer behavior to enhance consumer-based business in this ever-changing (virtual) marketplace.

Angeline

Angeline G. Close, Ph.D.
Assistant Professor
The University of Texas at Austin

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