First Cut Papers Submission

FINT 2016 Conference

November 2016, Dublin, Ireland

The influence of online posting, sharing and commenting on consumers trust of companies.

The aim of this research is to understand the potential influence of the mechanisms of online social networks (OSNs) on consumer trust of companies. This is important because companies which enjoy consumer trust are insulated from adverse reactions by consumers due to a bad experience (Elliott & Yannopoulou, 2007). Consumer trust has been studied from several angles, including antecedents and nature (e.g. Harris & Wicks, 2010), corporate reputation (e.g. Helm, 2007; Petrokaite & Stravinskiene, 2013), e-commerce transactions (e.g. Grabner-Kräuter & Kaluscha, 2008), and social media marketing (e.g. de Vries, Gensler, & Leeflang, 2012). A growing body of literature looks at how to trigger viral propagation and influence across OSNs, yet how the mechanisms of OSNs might be acting to influence consumer trust is not well researched or understood. This research brings together literature on trust, stakeholders, marketing, corporate reputation, and online activity to identify how the posting, sharing and commenting mechanisms of OSNs might be influencing consumer trust of companies.

This research uses Mayer, Davis and Schoorman’s definition which identifies Ability, Integrity and Benevolence as the foundation for organizational trust (Mayer, Davis, &
Schoorman, 1995). Researchers in the stakeholder literature have built on Mayer et al.’s work to identify technical competence (ability), integrity and value congruence as the basis for consumer trust in particular (Pirson & Malhotra, 2011). Consumers assess trustworthiness on these dimensions through reputation for quality and value of products and services (QV), credibility in advertising (AC), customer orientation (CO), and treatment of employees and the environment (EE) (Helm, 2007; Sichtmann, 2007), all of which are topics found on online social networks.

Studies by Pew (2010, 2014) and Nielsen (2014) reveal that the rise of online social networks is fundamentally changing the nature of communications, particularly for those aged 34 and younger. This generation, known as Generation Y, has a high preference for socially curated news and information (Nielsen, 2014; Oeldorf-Hirsch & Sundar, 2015; Pew Research Center, 2014). They are very dependent on peer networks for information and opinion (Colucci & Cho, 2014; Leask, Fyall, & Barron, 2014), relying on the advice of their peers online when deciding to trust a company and make a purchase (Hajli, Lin, Featherman, & Wang, 2014), and caring about how companies act (Leonidou, Kvasova, Leonidou, & Chari, 2013; Nielsen, 2014).

Five key dimensions are identified in the literature through which the posting, sharing and commenting mechanisms may be having effect. These are awareness, connection, credibility, critical mass and sense-making.

With regard to awareness, 55% of online news consumers are getting their news from FaceBook alone (Pew Research Center, 2010), and Generation Y are increasingly relying on socially curated news and opinion (Hajli et al., 2014; Luarn, Yang, & Chiu, 2014; Oeldorf-Hirsch & Sundar, 2015). Hence our first research question:
RQ1: How might posts, links or comments on OSNs be influencing awareness of issues that could impact trust of companies?

The second dimension is connection. Tie strength is closely linked to conformity of opinion (Granovetter, 1973; Williams, 2001), and perceptual affinity moderates the importance of posts and influences interest (De Bruyn & Lilien, 2008; Sweeney, Soutar, & Mazzarol, 2008). Where there is greater tie strength, information is more actively shared (Chiu et al., 2014) and communications from a strong tie are more likely to be read and to be considered (De Bruyn & Lilien, 2008). This leads to the second research question:

RQ2: What role does tie strength play in the influence of OSN posts, links or comments on consumer trust of companies?

Quality of content on the Internet varies widely (Agichtein, Castillo, Donato, Gionis, & Mishne, 2008; Aula, 2010), thus credibility is the third key dimension. Trust in sender has been shown to increase credibility of content (Sweeney et al., 2008). Links also play a role as links to credible sources that provide more in-depth information have also been shown to be a trust cue (Chiu et al., 2014; Osatuyi, 2013). Thus the third research question is therefore

RQ3: How do consumers evaluate the credibility of posts, links or comments on OSNs and in what ways do they react or take them into consideration in assessing trustworthiness of companies?

There is evidence that critical mass becomes a trust cue and persuasive in itself, influencing consumer trust through the cascade of opinion (Sweeney et al., 2008; Watts & Dodds, 2007). With the strong need for peer approval and conformity of opinion, especially in the realm of consumer purchases (Hajli et al., 2014), Generation Y may well be influenced by
an opinion that appears to be widely held on their online social networks. This provides the basis for the fourth research question:

   RQ4: In what ways might the perception of critical mass of opinion in OSN posts, links and comments be affecting consumer trust of companies?

   Sense-making is the iterative process of action and interpretation that helps situate an individual relative to a topic or to other people (Weick, Sutcliffe, & Obstfeld, 2005). Commenting (uni-lateral) and discussion (bi- or multi-lateral) are both vehicles for sense-making (Weick et al., 2005). Online social networks can be used for this purpose (Heverin & Zach, 2012). Hence the fifth research question:

   RQ5: Do consumers engage in sense-making on OSNs using posts, links or comments to help them shape their trust of companies, and if so, how is this working?

   The research is being undertaken using a qualitative approach. A pilot qualitative study of ten interviews has been conducted with Generation Y students drawn from the undergraduate population of a highly ranked North American university. The preliminary analysis reveals the following findings.

   Consumers become aware of issues for the first time through social media on topics that might impact their trust of companies, although they often hear ‘big’ news through regular media channels as well. The sharing of links is the primary mechanism at work, especially for QV, AC and EE. Posts also come into play for QV and particularly for CO. Comments are really not a factor in awareness.

   Tie strength appears to be important. It influences awareness through an increased likelihood of reading and engaging with content shared through posts and links regardless of topic (QV, AC, CO, EE). It can influence credibility, if the friend is trusted in this subject
matter and their opinion bias known. While the personal experience of the receiver tends to overrule opinions in OSNs, a post/share from a strong tie whose experience is different can cause reconsideration.

The two trust cues most frequently mentioned with regard to credibility are the trust of the original source and trust of the friend. The influence is greater in cases where receiver has no personal experience with the company, especially so for CO and QV, less so for EE or AC. Credibility is usually not assessed from an OSN post alone, but from an article shared in a link. A post alone with no links only has some credibility in the case of strong ties. Overall, however, credibility of what is found on OSN’s is considered weak, and before believing anything that would have influence on their opinion or behaviour, the participants said they would do their own research from more reputable sources.

When an article or video is shared online by a large number of people, this increases the likelihood of clicking on it, but only has minor influence consumer trust. In this regard, high numbers of shares are more influential than high numbers of likes. The same applies to the number of comments attached to a post. A critical mass of opinion is most influential on shaping opinion and behaviour of the recipient on QV and on EE.

Comments are not used for sense-making with regard to consumer trust among this target population. However, several participants mentioned that older online friends do appear to use them that way. In general, participants said that men in their friend groups use comments more for argument – and treat the argument as a sport not as a debate, and women use comments more for agreement and take any conflicting opinions offline. Therefore what is said in comments is not considered important with regard to influencing opinion. Participants said that if they wanted to engage in sense-making on an issue they had not yet formed an opinion
about, they would not rely on comments posted on OSNs. Rather they would follow the links in the posts to the original source or Google the topic and read reputable news sites.

In summary, this pilot study reveals that most important mechanism of OSN’s in influencing consumer trust is the sharing of links to content from other sources. Such links not only drive awareness, but also provide a mechanism for assessing credibility and sense-making. Strong ties increase the impact of posts with and without links. A critical mass of shares increases engagement, but is not a strong trust cue. Comments are not important to shaping consumer trust with this group, although results indicate this mechanism may play a different role with older populations.

1. References:


http://doi.org/10.5465/AMR.2001.4845794