Chapter 25

Adoption of Online Social Media Innovation: Who’s Inside the Spectrum?

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ABSTRACT

Few but mentionable studies have been conducted in typifying the Online Social Media (OSM) users. Studies on innovations taking place within the OSM environment are also very much found. But gaps are present in linking OSM innovations and adoption of innovations by the OSM users. Precise and objective studies to put the OSM users in an adoption spectrum are close to nil, though such studies might carry great significance in this new but exploding field of business and marketing. This study focuses on proposing an ‘Adoption Spectrum’ for OSM innovations by the users by proliferating Rogers’s ‘Adoption of Innovation’ with the ‘Typology of OSM Users’. Absolutely conceptual and qualitative in nature, the study concentrates on assessing the speed and magnitude of adoption of OSM innovations by the users. The proposed spectrum is an alignment between Rogers’s work and the OSM user typology. Mentionable limitation of this piece of work may be forwarding the empirical justifications for further study. However, the study may be used as input for managing innovations by the firms that venture through OSM.

1. INTRODUCTION

Over the last few years, online social media (OSM) have attracted millions of users, many of whom have integrated these sites into their daily practices. These digital applications are defined as those that enable interaction, collaboration and sharing between users (Pascu, 2008). They include applications for blogging, podcasting, collaborative content (e.g. Wikipedia), social networking e.g. MySpace, Facebook, multimedia sharing (e.g. Flickr, YouTube), social tagging (e.g. Deli.cio.us) and social gaming (e.g. Second Life).

The explosive growth of today’s social media and networking connections has far surpassed many predictions, and set numerous records or
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milestones (Liebrenz-Himes, Dyer and Shamma 2009). According to Nielsen, people spend twice as much time (22.7%) using social networking sites (SNS) as compared to any other online activity (NielsenWire, 2010). Further, social networking is displacing other forms of online communication. E-mail usage fell from 11.5% in June 2009 to 8.3% in June 2010. In addition, instant messaging usage declined 15% last year (Ostrow, 2010). One study by the Darmouth Center for Marketing Research, University of Massachusetts, 2007-2008, found that Inc 500 companies more than doubled their own blogs in one year, and that companies using social networking went from 8% in 2007 to 49% in 2008, for just two examples (http://ymedialabs.com/blog/?p=60).

In terms of popularity, the use of OSM is skyrocketing both for personal and business purposes. By its very nature, continuous changes and innovations are common phenomena in OSM platforms. How the different users respond to these changes and innovations in OSM need to be explored in order to use this promising media for business purposes. More specifically, identifying different user categories in terms of their responses to OSM innovations might be greatly useful for target marketing.

2. BACKGROUND AND SIGNIFICANCE OF THE STUDY

The increased importance of technology platforms for social interactions has raised the interest of product marketers who seek to explore these as new advertising/promotion media (Katona, Zubcsek & Sarvary, 2010). Indeed, social networks’ revenue models are primarily based on advertising, although, so far, the use of (mostly) banner-type advertising has produced disappointing results.1 Increasingly, marketers believe that the efficient way of using social networks for marketing relies on harnessing WOM, by analyzing the network of members’ connections (Katona, Zubcsek & Sarvary, 2010). For example, Google has recently filed a patent for an algorithm that identifies so-called “influencers” on social networks (Katona, Zubcsek & Sarvary, 2010).

Mentionable studies have already been conducted on the rapid growth of the use of social media and its impact on people’s social life. Significant studies have also been found in categorization of different social media, their uses and their implications in business in general. Although the distinguishing feature of online social media is user-generated content (UGC), few studies have been found in this dimension. Another strong area of online social media that demands for researchers’ attention is the adoption of online social media and its changes. Although few studies have focused on the adoption of online social media, no specific study has been found so far on different types of users based on their profiles and their status in the spectrum of diffusion of innovation theory developed by Rogers.

Several studies have already recognized the importance of such research, though no study concentrated on both aspects of online social media – user profile and adoption. According to Kempe, Kleinberg, and Tardos (2003), of interest in all these studies is how one might maximize the spread of influence through a social network by selecting a subset of influential individuals to initially infect with an idea or product. It is equally important, however, to understand communities from the perspective of the individual user – to examine what motivates users to join and to participate in social media communities, to understand what influences their behaviors within and towards their fellow community members, and to observe the various stages of development and sophistication through which their engagement with social media communities may move (Bruns 2009).

Social Networking Sites (SNS) have been identified in the literature as very important for