Factors Influencing Office-Workers’ Purchase Intention through Social Media: An Empirical Study

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ABSTRACT

Social media (SM) are currently gaining rapid and widespread popularity. SM have been recognized as effective marketing tools that can influence customer behavior; however, the literature neglects this topic. This investigation proposed an integrated and modified framework derived from the technology acceptance model to systematically analyze and investigate the critical influences on the intention of office-workers to make a purchase via SM when SM are used for marketing communications. This study surveyed 400 office-workers from businesses in Taiwan. The findings demonstrate that factors such as perceived ease of use, SM experience, social influence, gender difference, and product/service information are important influences on SM shopping predisposition. Additionally, three clusters of shoppers are identified based on their purchase intention. Each cluster has different demographic and behavioral characteristics and exhibits significant concerns regarding the above factors. Specific marketing strategies are provided for each of the three clusters to help companies better target their customers.

Keywords: Customer Behavior, E-Marketing, Purchase Intention, Segmentation, Social Media,

1. INTRODUCTION

The 21st Century is witnessing an explosion of new media called social media (SM). From the business perspective, SM describes new sources of online information that are created, initiated, passed and used by the intention of consumers to educate each other about products, brands and services. SM can assume numerous different forms, including blogs, company-sponsored discussion boards and chat rooms, consumer product or service ratings websites and forums, and social network services. Currently, SM is considered one of the fastest growing segments on the Internet (Bowman et al., 2012). Restated, the popularity of social

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media seems to provide a good platform for companies to deploy marketing strategies. To achieve efficient marketing, sellers chasing profits in a market must cluster that market into different segments. Such segmentation allows a company to promote its offerings to a specific target group. Office-workers are always highlighted as a target group, owing to their strong purchase ability. Office-workers estimate that they spend approximately 4 hours daily (half a workday) managing multiple inboxes, including personal emails, corporate emails and SM. This fact indicates that SM is an increasingly important part of business and social networking for office-workers. On Facebook, an office-buyer can access a group created by retailers who selling the goods of interest. Buyers can ask detailed questions of sellers, relatives, or friends regarding the goods of interest to them. However, social networking sites currently do not provide full payment functions. Therefore, actual purchases do not happen on social network sites, but rather through them. An indirect purchase using SM to guide users online. While numerous marketers acknowledge the importance of SM to their marketing matrix, one study has empirically investigated the critical influences on the SM shopping intentions of individuals (Boyd & Ellison, 2008).

Based on the gaps in the literature, this investigation sought to identify the purchase intentions of office workers through social media. This investigation attempts to apply SM to investigate the influence of different factors on office-worker purchase intentions. An exhaustive review of the literature was performed provide a theoretical basis to develop a conceptual model. Various component variables were proposed and divided into four key groups of factors that provide a cohesive view of the proposed issue. The four groups include 1) technological factors derived from the technology acceptance model (positive electronic word of mouth, perceived usefulness, perceived ease of use and perceived risk); 2) individual factors (SM experience, purchase orientation, age difference and gender difference); 3) corporate factors (corporate credibility and product/service information); and 4) social and environmental factors (positive informational social influence and perceived legal framework). Additionally, purchase intention was used to classify customers into groups. Each group is further analyzed using demographic and behavioral characteristics and their concerns regarding the above different factors.

This paper comprises five sections. Section II reviews the literature and develops hypotheses. Section III discusses the study data and methodology. Section IV presents the results of the empirical study. Section V then discusses conclusions and implications. The paper ends by identifying limitations and making recommendations for future studies.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

2.1. Electronic Word of Mouth

Electronic word of mouth (EWOM) is consumer-generated information created online that describes a product or experience from a consumer perspective. EWOM expresses consumer feelings and satisfaction about a product, thus assisting consumers to evaluate marketer-generated information.

EWOM is considered a powerful influence on consumers since it acts as both an information source and a persuasive communication tool (Hullsi, 2013). Chang and Chin (2010) insist that in a computer-mediated environment, consumer online purchase intentions are influenced by various sources of recommendations, including EWOM, which boost their confidence and reduce their perceptions of risk. A more effective recommendation increases purchase motivation with regard to a product/service. In their study, the two authors found that positive EWOM from friends would increase online purchase intentions. Restated, positive EWOM and online purchase intention are positively related.

Senecal and Nantel (2004) contend that online product recommendations strongly influence product choices. Companies thus can exploit SM in their marketing strategies, and EWOM
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