

Keeping good company on Facebook

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It seems that no company can afford not to engage with its customers and potential clients via online social networking sites, such as Facebook and Twitter, these days. The likes of Facebook have become hubs for such direct company to customer interactions where queries can be quickly answered, grievances addressed and products and services promoted through a marketing model that simply did not exist when the web first went commercial long before the web 2.0 concept was realized. What companies would like to know for sure, however, is whether or not their online networking efforts offer a good return on investment in terms of the bottom line regardless of whether they improve customer relations.

Sofie Bitter and Sonja Grabner-Kräuter of the Department of Marketing and International Management, at Alpen-Adria-Universität Klagenfurt, in Austria, and Robert Breitenecker of the Department of Innovation Management and Entrepreneurship there have worked together to model how the interactions between consumers and companies and between consumers and their friends translate into engagement and ultimately purchases from those companies. Conversely, consumers now have the power of a collective voice that brand managers can no longer ignore.

"Undoubtedly, it is the environment of interactivity and socialization that triggers OSN usage in the first place," the team says. "But these social connections also create a comfortable surrounding for the exchange of product evaluations and recommendations." Interactions between users, on the company Facebook page, for example, might then influence perception, attractiveness or otherwise of a given product or service. The

team has now surveyed users and analyzed the data they obtained to see whether or not an individual's steady engagement with friends on Facebook might also affect their engagement with companies and brands.

The team demonstrated, among other things, that attitude towards Facebook is an antecedent to whether or not that person will interact widely with friends and in turn those users that interact most with friends tend to more accepting of the idea of engaging with a [company](#) too. Those users who trust Facebook less and are highly concerned about privacy issues are less inclined to engage with companies on the site.

More information: Bitter, S., Grabner-Kräuter, S. and Breitenecker, R.J. (2014) 'Customer engagement behavior in online social networks – the Facebook perspective', *Int. J. Networking and Virtual Organisations*, Vol. 14, Nos. 1/2, pp.197–220.

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