Social Media Peer Communication and Impacts on Purchase Intentions: A Consumer Socialization Framework

Xia Wang [a,*] & Chunling Yu [b] & Yujie Wei [c]

[a] Department of Marketing, Renmin University, Beijing, China
[b] Department of Marketing, Tsinghua University, Beijing, China
[c] Department of Marketing & Real Estate, Richard College of Business, The University of West Georgia, GA, USA

Abstract

Consumer socialization through peer communication using social media websites has become an important marketing issue through the development and increasing popularity of social media. Guided by a socialization framework, this article investigates peer communication through social media websites; individual-level tie strength and group-level identification with the peer group as antecedents; and product attitudes and purchase decisions as outcomes. Survey data from 292 participants who engaged in peer communications about products through social media confirm that the two antecedents have positive influences on peer communication outcomes. Online consumer socialization through peer communication also affects purchasing decisions in two ways: directly (conformity with peers) and indirectly by reinforcing product involvement. In addition, consumer's need for uniqueness has a moderating effect on the influence of peer communication on product attitudes. These findings have significant theoretical and managerial implications.
© 2012 Direct Marketing Educational Foundation, Inc. Published by Elsevier Inc. All rights reserved.

Keywords: Peer communication; Online socialization; Social media; Product attitude; Purchase intention

Introduction

The Internet and especially social media have changed how consumers and marketers communicate (Hennig-Thurau et al. 2004; Nambisan and Baron 2007). Social media websites attract millions of users, many of whom integrate the sites into their daily lives and business practices (Lueg et al. 2006; Muratore 2008; Okazaki 2009). Moreover, social media allow users to connect with peers by adding them to networks of friends, which facilitates communication, particularly among peer groups (Ahuja and Galvin 2003; Zhang and Daugherty 2009). The resulting new, unconventional channel for consumer socialization through the Internet is changing consumer behavior (Lueg et al. 2006; Muratore 2008; Okazaki 2009).

The change prompted by the emergence of social media also applies to the consumer decision making process and marketing communications (Hennig-Thurau et al. 2011; Shankar and Malthouse 2007). For example, social media websites provide a public forum that gives individual consumers their own voices, as well as access to product information that facilitates their purchase decisions (Kozinets et al. 2010). User-generated online product reviews have proliferated through social media, with great impact on marketing (e.g., Hennig-Thurau et al. 2004; Trusov, Bodapati, and Bucklin 2010). Such communal word-of-mouth (WOM) not only increases marketing messages but also alters consumer information processing (Casteleyn, Mottart, and Rutten 2009; Kozinets et al. 2010). In particular, peer communication through social media, a new form of consumer socialization, has profound impacts on consumer decision making and thus marketing strategies (Casteleyn, Mottart, and Rutten 2009; Okazaki 2009).

Consumer socialization refers to the process by which individual consumers learn skills, knowledge, and attitudes from others through communication, which then assist them in

---

* Corresponding author at: Department of Marketing, School of Business, Renmin University of China, 59 Zhong Guan Cun Rd., Beijing 100872, China.
    E-mail addresses: wangxia@ruc.edu.cn (X. Wang), yuchl@sem.tsinghua.edu.cn (C. Yu), jwei@westga.edu (Y. Wei).

functioning as consumers in the marketplace (Ward 1974). Conventional socialization occurs among consumers who know one another, such as parents and children, colleagues, relatives, friends, and neighbors (e.g., Kim, Lee, and Tomiuk 2009; Moschis and Moore 1984; Mukhopadhyay and Yeung 2010). However, online social media enable socialization through virtual communities among both people who know one another and strangers (Lueg et al. 2006; Muratore 2008; Okazaki 2009). Although peers are widely acknowledged as key forces affecting consumer socialization (e.g., Moschis and Churchill 1978), peer communication in online socialization processes has received limited research attention (Ahuja and Galvin 2003). Particularly, the influence of peer communication through social media websites on consumers' purchase decisions rarely has been investigated (Iyengar, Han, and Gupta 2009; Trusov, Bodapati, and Bucklin 2010). To fill this gap, we investigate consumption-related peer communication through social media and its impacts on consumers' product attitudes and purchase intentions, from a consumer socialization perspective.

Peer communication initially was defined as overt peer interactions among adolescents, focused on goods and services (Moschis and Churchill 1978). In social media, such peer communication entails interactions about products/services among individual consumers through computer-aided social networks (Dhar and Chang 2009), also referred to as virtual communities of consumption (Kozinets 1999). We use the term "peers" to capture "the richness of this interpersonal communication construct" in an online context (Lueg and Finney 2007, p 29). Thus our focus is on how an individual becomes socialized through positive interactions on a social media website to use some product/service. Hereafter, we refer simply to peer communication, instead of consumption-related peer communication on social media.

By investigating the influence of peer communication on consumer behavior, this research contributes to existing literature in three ways. First, the results can help scholars and interactive marketing practitioners understand the role of social media for consumer behavior and marketing. Second, we investigate the influence of preselected antecedents of peer communication and outcomes of the consumer socialization process, which can expand the application scope of socialization theory to an online setting and provide theoretical implications for scholars. Third, by testing the moderating effect of consumer characteristics, such as need for uniqueness, we provide insights into how consumer characteristics might strengthen or weaken the influence of peer communication on consumer behavior through social media.

Theoretical Background

Consumer Socialization through Social Media

Consumer socialization theory predicts that communication among consumers affects their cognitive, affective, and behavioral attitudes (Ward 1974). Through socialization, consumers learn consumption-related skills, knowledge, and attitudes in the marketplace. The widely applied socialization framework delineates

consumer learning processes and how people perform their roles as consumers in society (e.g., Churchill and Moschis 1979; De Gregorio and Sung 2010; Moschis and Churchill 1978).

Consumer socialization theory also offers two theoretical perspectives for understanding and predicting consumer-to-consumer information transmission: a cognitive development model and social learning theory (Moschis and Churchill 1978). The former, focused on cognitive/psychological processes regards socialization as a function of qualitative stages in cognitive development which occur between infancy and adulthood (Kim, Lee, and Tomiuk 2009). The latter instead emphasizes external, environmental sources of learning, or "socialization agents" (peers), which transmit norms, attitudes, motivations, and behaviors to learners (Köhler et al. 2011; Moschis and Moore 1984; Shim 1996). This perspective has been adopted to explain consumer socialization processes among adult populations, particularly among non-family members (e.g., Ahuja and Galvin 2003; De Gregorio and Sung 2010; Taylor, Lewin, and Strutton 2011). For example, De Gregorio and Sung (2010) find that adult consumers' placement-related attitudes and behaviors always are subject to the influence of circles of friends and acquaintances; they also show that peer communication is the strongest predictor of product placement attitudes and behaviors.

Social media, especially social network sites, provide a virtual space for people to communicate through the Internet, which also might be an important agent of consumer socialization (Köhler et al. 2011; Lueg and Finney 2007; Lueg et al. 2006; Muratore 2008; Zhang and Daugherty 2009). Social media provide three conditions that encourage consumer socialization among peers online. First, blogs, instant messaging, and social networking sites all provide communication tools that make the socialization process easy and convenient (Muratore 2008). For example, in virtual communities Ahuja and Galvin (2003) find that new members can be socialized easily into virtual groups through electronic communication and quickly learn task-related knowledge and skills through their interactions with other members. Second, increasing numbers of consumers visit social media websites to communicate with others and find information to help them make various consumption-related decisions (Lueg et al. 2006). Third, social media facilitate education and information because they feature multitudes of friends or peers who act as socialization agents and provide vast product information and evaluations quickly (Gershoff and Johar 2006; Taylor, Lewin, and Strutton 2011). Drawing on the consumer socialization framework, Taylor, Lewin, and Strutton (2011) find that online consumers' attitudes toward social network advertising depend greatly on socialization factors (i.e., peers). Lueg and Finney (2007) further reveal that peer communications online can influence consumers so strongly that they convert others into Internet shoppers. They suggest retailers should encourage such communication by setting up tell-a-friend functions on websites.

On the basis of socialization theory and this previous research, we thus establish a model of consumer socialization through social media to explain consumer social learning processes through peer communication and the outcomes of these