

THE ANTECEDENTS OF SATISFACTION FOR FACEBOOK “LIKERS” AND THEIR EFFECT ON WORD-OF-MOUTH

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Facebook allows consumers to indicate their associations with individuals, companies, and institutions through the “like” feature. Companies are attempting to utilize this feature to develop relationships with consumers. This paper examines the inter-relationships among constructs such as identity, involvement, satisfaction, and consumer-firm relationships for those who have chosen the Facebook “like” feature. Based upon an internet survey a model of satisfaction for “likers” on Facebook is tested. The results indicate that the proposed model is a good fit for the data, and that merely motivating consumers to “like” a company may not be sufficient, involvement is the key. Additionally, the results show that both satisfaction and involvement positively impact word-of-mouth.

INTRODUCTION

The literature regarding social media use by businesses suggests that social networking sites are about the facilitation of relationships between consumers and business through the use of technology (Li & Bernoff, 2008). A key aspect of what makes social media marketing different from other forms of traditional advertising is that social media marketing has greater potential to build strong relationships (Weinberg, 2009) and is primarily in control of the consumer (Cheung & Lee, 2010). Social media has matured to the point that the question, “should a company use social media or not” does not apply as the financial and relationship benefits are becoming apparent (Nadeem, 2012). The days of “social media is cute” are over (Rishika, Kumar, Janakiraman, & Bezawada, 2013) and important issues such as the effectiveness of social media on return on investment are becoming more important as companies struggle to measure social media effectiveness, beyond just how many people are following a particular company (Rishika et al. 2013). For example, a company can easily measure how many people “like” them on the social media platform “Facebook,” by counting the number of people that click the “like”

feature on the company’s homepage. When this paper refers to “likers,” it is referring to consumers who clicked on the “like” feature, and not necessarily to any affect on their part.

The question remains, what is the bottom line effect of the “like” feature for the company? Before we can assess for effectiveness in terms of the bottom line, we need to develop models of consumer behavior on the social networks. This paper is a first step in that process. We develop a model that explores relationship marketing constructs such as identity, involvement, satisfaction and word-of-mouth behavior among people who clicked the “like” feature for companies on Facebook. The purpose of this paper is to bridge a gap in the social media literature by developing and testing a model of the inter-relationships among the antecedents of satisfaction for customers that “like” a company on Facebook, and extending the model to word-of-mouth behavior.

The “Like” Option

The “like” option allows consumers to broadcast their interests and preferences on their Facebook homepage, thus letting their friends know who they support and/or follow. In other words, ‘liking’ is a way to affirm a relationship in a public way. The “like” activity has become so popular that close to 140

million brands created a presence on Facebook with Coca-Cola and Starbucks showing 21 and 18 million fan “likes” respectively (Hardey, 2011).

Although the number of customers who “like” a company on Facebook is a plausible measure of company popularity with customers, it does not equate to strength of relationship between them. Success in social media platforms, specifically Facebook, relies on people’s desire to let others know about their association with a company. It is already established in the literature that customers show their connection with companies and organizations by broadcasting it on their social media sites, such as using the “like” option to show their association with that company (Turner & Shah, 2011). In other words, a person “likes” a company on Facebook because of their *desire* to advertise an association with this company to their friends.

Some companies offer financial rewards in order to entice people to “like” them on Facebook. Although financial incentives do have their place in creating and maintaining relationships by forming a financial bond between a customer and a company (Chiu, Hsieh, Li, & Lee, 2005), in online relationships, social and structural bonds also play a role in maintaining these relationships (Liang & Chen, 2009). Our viewpoint is that relationships develop over time and experience, with more factors involved than just financial incentives (Dagger & O’Brien 2010).

One factor that affects relationships, and is explored in this paper, is satisfaction. Unfortunately the relationships among various constructs representing antecedents of satisfaction, in the social media context, have not been explored in the academic marketing literature, especially as it relates to Facebook ‘likers.’ It has been suggested (Hoffman & Novak, 2011) that it is difficult to distinguish the difference between people who click the ‘like’ icon in Facebook for a product out of genuine preference for it and those who may be externally motivated to ‘like’ a product as a result of seeing others perform the action. Further, it is argued, that clicking ‘like’ does not necessarily represent a commitment reflecting purchase intent, one may ‘wish’ to buy a product rather than ‘plan’ to buy a

product. But it has also been suggested that networking is strongly associated with behavioral intention (Kim, Shim, & Ahn, 2011). In other words, being involved on a social networking service, such as Facebook, may increase the intention to engage in other behaviors such as word-of-mouth. This is important because eighty-one percent of participants in an online survey said their perceptions are influenced substantially by word-of-mouth (Simmons, Conlon, Mukhopadhyay, & Yang, 2011).

Hypothesis development

Identity and involvement. Consumer identification with a company is defined as an active, selective, and volitional act in which a customer is motivated by the fulfillment of self definitional needs (Bhattacharya & Sen, 2003). Customers portray a certain image to themselves as well as to others by affiliation with companies in some way. In other words, customers identify themselves by the companies they choose to associate with by wearing apparel (Nike clothing), sporting window stickers (universities), or choosing to “like” a company on Facebook. Social identities are chosen on the basis of self-categorization and not necessarily by actual membership with a company or organization (Brewer, 1991).

Self identification with another entity can occur because of several different reasons. First, a company carries the same belief system and values of a customer. For example, people may identify with “Ben and Jerry’s” ice cream because they both value the environment. Secondly, people may identify with a company due to affiliation needs. In other words, people may identify with a church, sports team, or fan club for the assurance that they belong to a group (Pratt, 1998). Third, people can clarify their self-concept and gain a positive self-appraisal through their association with the company (Homburg, Wieseke, & Hoyer, 2009). For example, a person may identify with “In and Out,” a hamburger chain that originated in California, in order to show that their own roots originated from California.

However, research has shown that social identity can also lead to more involvement with

a brand. For example, Harley Davidson group members that strongly associated themselves with the brand also were more involved with their respective brand communities (Bagozzi & Dholakia, 2006). Social identity also was a factor in driving people’s decisions to participate in virtual communities (Bagozzi & Dholakia, 2002). So if a company or brand reflects a consumer’s social identity, they are more likely to be involved with that company by not only choosing to “like” the company, but also to participate in events/activities when they occur.

H₁: For Facebook “likers,” identity has a positive impact on involvement.

Relationships and involvement. A consumer-firm relationship is created when a history develops between a consumer and a firm. For this history to evolve into a relationship, a series of interactions between the consumer and the firm must occur, thus eventually forming a bond between the consumer and the target firm (Coulter & Ligas, 2004). As the relationship history develops over time, benefits such as reduced uncertainty and social satisfaction from the association encourage the customer to maintain the relationship with the firm (Dwyer, Schurr, & Oh, 1987). A customer-firm relationship is vital to long-term profitability, and does not come easily; it must be earned (Gronroos, 1990). The benefits the customer receives from these relationships must go above and beyond what the core product has to offer the customer (Gwinner, Gremler, & Bitner, 1998).

Understanding the role of relationships in the social media context is important because the goal of an online social media campaign is to create sustained engagement with the consumer (Harris & Rae, 2009). Due to the newness of the popularity of social networking sites, it is only within the past few years that businesses began to realize the relationship opportunities social networks provide. Online relationships must be carefully managed because of the viral nature of these networks. Mismanagement with even one consumer relationship may damage the relationship between the company and many other customers as well (Kozinets, de Valck, Wojnicki, & Wilner, 2010).

A common variable associated with relationships is involvement. Involvement is conceptualized as actions by a consumer that has perceived personal relevance (Gordon, Mckeage, & Fox, 1998). Furthermore, the personal relevance of the object can be based on inherent needs, values, and interests of the consumer (Zaichkowsky, 1985). In a Facebook setting, people are involved with companies when they choose to receive updates on their message board, referred to as a “wall.” The idea is that as consumers receive these updates, they engage in more elaborate, extensive thoughts about that particular company (Puccinelli, Goodstein, Grewal, Price, Raghubir, & Stewart, 2009). So the effect of involvement is to enhance the relationship between the firm and the consumer (Gruen, Summers, & Acito, 2000). If customers have a relationship with a company, such as when they “like” a company on Facebook, they are more likely to look forward to updates from that company and consequently become more involved.

H₂: Relationship with a company has a positive impact on involvement for customers who “like” that company on Facebook.

Involvement and satisfaction. Satisfaction is defined as a psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumer’s prior feelings about the consumption experience (Oliver, 1981). Literature shows that satisfaction is a complex construct that can be conceptualized by personal characteristics, evaluations of a product, evaluation of a service process, or evaluation of service personnel (Singh, 1991). Satisfaction has also been measured as an overall positive feeling with a firm (Macintosh, 2007).

Consumers’ commitment to a relationship with a firm is reflected in how satisfied they are with that firm (Tax, Brown, & Chandrashekar, 1998). It appears that customers weigh satisfaction more the longer they have a relationship with a company, as shown with the cellular phone service industry (Bolton, 1998). Similarly, in the banking industry, results showed that the most satisfied customers were those who had been with the bank the longest (Barnes, 1997). Satisfied customers generally

have a positive history with the company (Curasi & Kennedy 2002). Since customers are advertising a relationship and positive history with a company when they “like” that company on their Facebook homepage, these customers would be expected to have some degree of satisfaction with that company.

Moreover, not only does involvement influence the strength of relationship between the consumer and the company, it also influences evaluations of experiences with that company (Gordon et al., 1998). For example, consumers who are highly involved with the Internet or with a particular website tend to be more satisfied with that site than those who are less involved (San Martín, Camarero, & San José, 2011). Additionally, the more involved a customer is in regards to product or company, the less the perceived risk when purchasing from that company, and theoretically the more satisfied the customer is with a company or product (Kovacs, Farias, Moura, & Souza, 2011). Although this chain of reasoning has not been tested, it does show recognition of the correlation that exists between involvement and satisfaction.

H₃: For Facebook “likers,” involvement has a positive impact on satisfaction.

Coupon proneness and satisfaction. Historically, coupons have played an important role in the way that products are both promoted and purchased (Blattberg & Deighton, 1991). When used as external stimulation to encourage purchasing, coupons have been proven to positively affect the short-term sales of a product or brand (Graham, 1994). Further, coupons are more likely to incite purchases from consumers who are coupon prone, than comparable price reductions (Babakus, Tat, & Cunningham, 1988).

Along with technology advances, the distribution of coupons is expanding and many coupons are being offered online through various websites. The process of distributing coupons on the Internet is more efficient (less cost to marketer) than distributing print coupons. Besides, individual consumers have access to exponentially greater online coupon resources (Oliver & Shor 2003). Coupons distributed online engage consumers in a

unique way because the consumer must seek out the marketer specifically, rather than the other way around (Berthon, Pitt, & Watson, 1996).

Coupon prone consumers enjoy using coupons and play what they perceive as a coupon game (Roehm & Roehm, 2007). These coupons lower their search and decision costs and provide justification to buy the promoted products (Chandon, Wansink, & Laurent, 2000). Those consumers who use e-coupons shift from being passive to active searchers of coupons. These consumers can request email alerts which notify them whenever coupons become available.

Coupons received by consumers through Facebook from “liked” companies, may enhance consumer satisfaction; as there is a sense of entitlement that comes with those coupons. This is particularly true for those who are coupon prone. For example, customers who have coupon codes when redeeming coupons at the end of a purchase tend to be more satisfied than those who do not have a coupon code. The coupon code not only result in higher satisfaction among the consumers, but also a higher sense of equity as well (Oliver & Shor, 2003; Oliver, Shor, & Tidd, 2004). Other research has found that the pride and satisfaction of obtaining savings through the use of coupons was found to be an important determinant of coupon usage (Babakus et al., 1988). So coupon prone consumers may report higher levels of satisfaction towards companies that offer them coupons due to their Facebook connections.

H₄: Coupon proneness has a positive impact on satisfaction for Facebook “likers.”

Impact on word-of-mouth. Word-of-mouth communication in a marketing context is conceptualized as interpersonal communications in which none of the participants are marketing sources (Bone, 1995). Past research has shown that word-of-mouth communication is more influential than marketer based communication (Gilly, Graham, Wolfenbarger, & Yale, 1998). With the advent of the Internet, it has been easier for companies to spread word-of-mouth through customers by associating the brand name with customers’

communications (Carl, 2006). For example, a person may read the statement “this email was sent from my Blackberry” at the end of a customer’s email. Or as in the case of Facebook, customers may now choose to “like” a company thus associating themselves with that company for all of their “friends” to view. Customers are increasingly paying more attention to postings and reviews of products by other customers while making their purchase decisions.

Although Internet word-of-mouth can be effective, face-to-face word-of-mouth behavior still remains important because of its large impact on repurchase intentions (Davidow, 2003). Although our research does not test for repurchase intentions or increase in sales, it is testing the effect on word of mouth behavior with the assumption that it can lead to repurchase intentions or referral sales by the consumers who engage in such behavior. Word-of-mouth behavior is an interesting variable because of its nature as an involvement response, which is defined as behavior that is motivated by involvement. Literature has shown that word-of-mouth is a common example of an involvement response (Dwyer, 2007). Furthermore people in online communities who are more involved with the product tend to engage in more word-of-mouth behaviors than those who are not involved (Gummerus, Liljander, Weman, & Pihlstrom, 2012).

H_{5a}: For Facebook “likers,” involvement has a positive impact on Word-of-Mouth

Past research between satisfaction and word-of-mouth is robust and shows that a high level of satisfaction leads people to engage in positive word-of-mouth (Royo-Vela & Casamassima, 2011). Satisfied customers who spread positive word-of-mouth about companies are more believable than company initiated marketing communication because their satisfaction and consequent word-of-mouth behavior are perceived by other customers as genuine and not manipulative (Macintosh, 2007).

H_{5b}: For Facebook “likers,” satisfaction has a positive impact on Word-of-Mouth

The conceptual model illustrating the above hypotheses are shown in figure 1

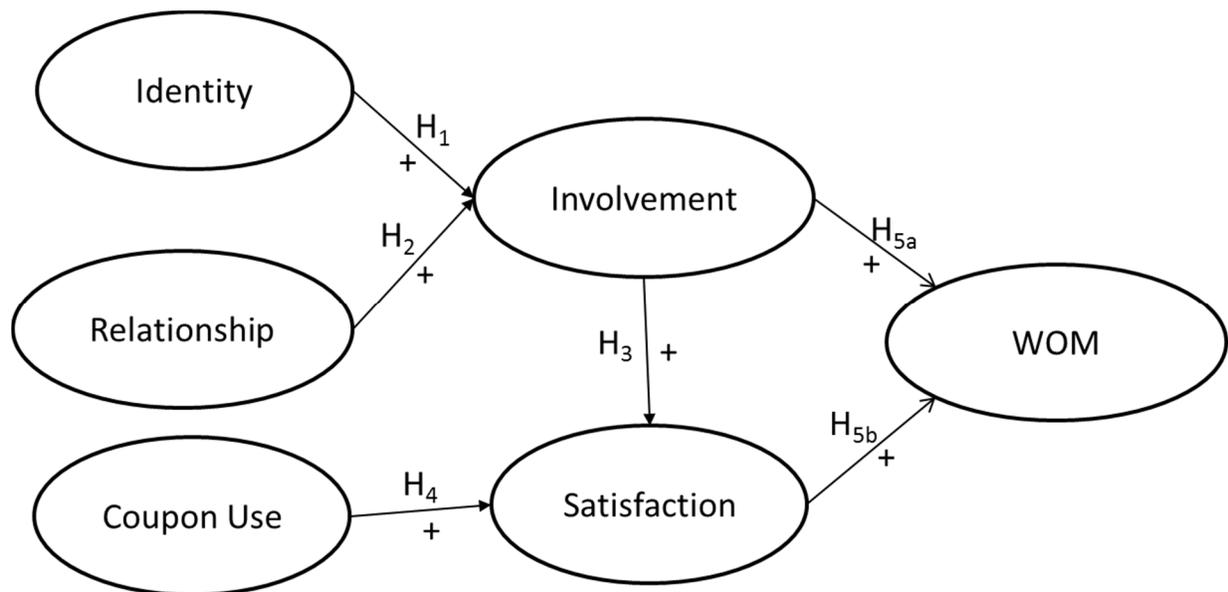
Methodology

Sample. The sample was obtained using an Internet data collection firm (*Research Now*) whose panel includes worldwide consumers. As the sample chosen would already be familiar with the Internet and web-based marketing, using an electronic data collection firm is appropriate for this study. There were two initial screening criteria used in developing the sample; one, respondents had to be 18 years or older, and two, they needed to have Facebook accounts. Further screening was provided so that the sample was comprised of only customers who “liked” a company on Facebook. The respondents were then instructed to write the name of a company they “liked” on Facebook and to answer all of the questions in the survey for that specific company. We do not know if the company chosen by the respondent was their favorite company or just one that came to mind during the survey. We assume at minimum, that since the respondents “like” a company on Facebook and chose to use that company in their responses, that they must have positive feelings in some degree towards that company. The total sample size for this research is 401 useable surveys. The median number of months that people say they “like” a company is six months.

The respondent sample was not too distorted as compared to population distributions of Facebook users. For example, online social media monitoring sources, such as the Pew Internet Report, showed in 2012 that approximately 50% of Facebook users are 36 years of age or older and a little over half of the users are female (Hampton, Sessions-Goulet, Rainie, L., & Purcell, 2011). These statistics are similar to our sample demographic in which 48% were age 35 or older and 51% were female.

Measurement Scale Development. To determine appropriate constructs for this study, a thought-listing exercise was conducted with fifty students from a mid-size university in the mid-west. Each student was required to write up three reasons they chose to “like” a company on Facebook. This was an open

FIGURE 1:
Proposed model of antecedents to Word-of-Mouth behavior among customers who “like” a company or organization on Facebook



ended question in which the respondents wrote their reasons for the first company that came to mind, which is indicative of top of mind recall. A total of 150 responses were recorded. These responses were then categorized into major constructs and coded for tabulation. The results of this exercise are displayed in table 1.

The scale items used for the measurement of each construct were adapted from the current marketing literature and applied for this research. The construct items used in this study were measured with a 7-point Likert-type scale and are shown with the original references in the appendix.

Construct validity. Discriminant validity among the constructs was demonstrated because the squared correlation between a pair of constructs was less than the average variance extracted (AVE) of each construct. Additionally convergent validity was demonstrated because the AVE for each construct ranged from .620 to .795, all of which were greater than the recommended minimum AVE of .5 (Fornell & Larcker, 1981). Construct reliability was tested using Chronbach’s alpha. The reliability scores for the constructs ranged from .812 to .907, which was greater than the minimum of .70 suggested by Nunnally (1978). Table 2 shows the results

of the tests conducted for construct reliability and validity

Results

The means and standard deviations of perceived importance obtained from the survey data for each of the constructs are shown in Table 3. The results confirm that the constructs included in the study are important to people who “like” companies on Facebook.

The measurement model has an acceptable fit to the data for people who “like” a company on Facebook ($\chi^2 = 211.37_{df95, p < .01}$; RMSEA = .056; CFI = .98; NFI = .97; GFI = .94). The results of the model test as well as all of the hypothesized paths are summarized in table 4 and graphically represented in figure 2.

In examining the hypothesized model in more detail, all of the hypothesized paths were positive and significant with the exception of H4, which stated coupon proneness has a positive impact on satisfaction. The low correlation between coupon proneness and satisfaction for Facebook “likers” may be attributed to the idea that people who “like” a company on Facebook are already satisfied customers and their attitude towards coupons does little to change their satisfaction towards

TABLE 1:
Results of thought listing exercise in which respondents explained why they
lick the “like” icon for a company on their Facebook page

| Construct | Percent Reported |
|---------------|------------------|
| Involvement | 21.3% |
| Satisfaction | 31.3% |
| Coupons | 13.0% |
| Identity | 20.7% |
| Relationships | 10.7% |

TABLE 2:
Cronbach’s alpha (α), average variance extracted (AVE),
and squared correlations between construct

| Item | α | ID | SAT | INV | WOM | RM | CP |
|-----------------------|------|-------------|-------------|-------------|-------------|-------------|-------------|
| Identity (ID) | .901 | .750 | | | | | |
| Satisfaction (SAT) | .907 | .089 | .773 | | | | |
| Involvement (INV) | .868 | .220 | .202 | .710 | | | |
| WOM | .884 | .137 | .413 | .254 | .795 | | |
| Relationship | .812 | .155 | .120 | .340 | .147 | .690 | |
| Coupon Proneness (CP) | .827 | .011 | .014 | .023 | .004 | .031 | .620 |

TABLE 3:
Means and standard deviations of each construct tested in the model

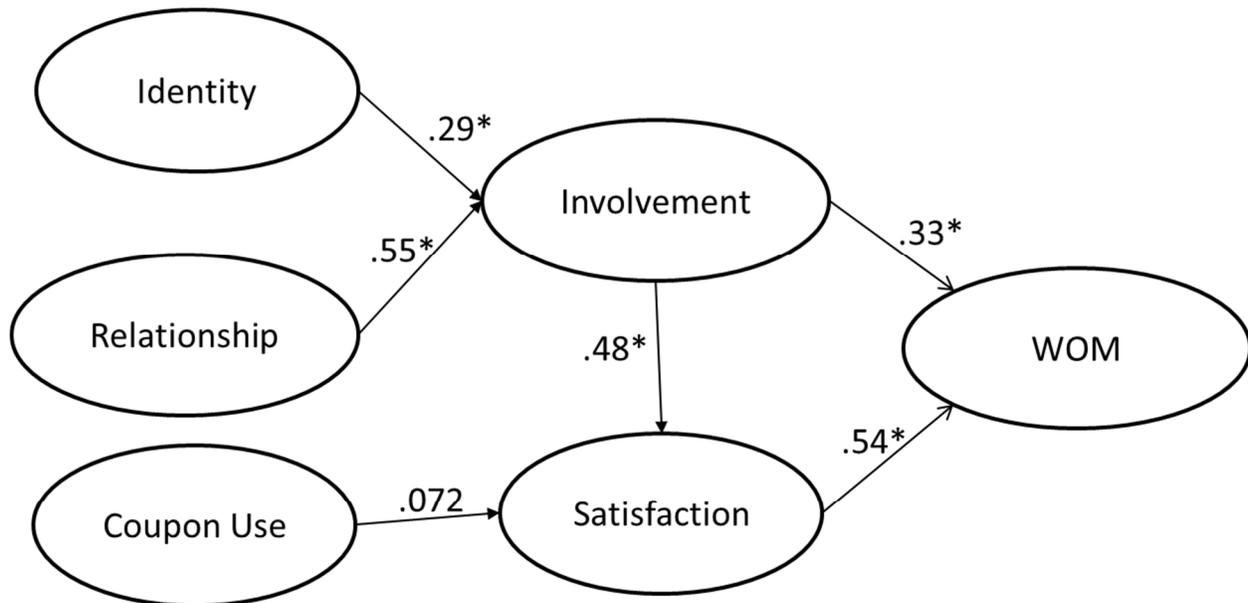
| Item | \bar{x} | σ | t | p |
|------------------|-----------|-------|--------|-------|
| Identity | 4.327 | 1.454 | 4.463 | <.001 |
| Satisfaction | 5.752 | 1.167 | 29.748 | <.001 |
| Involvement | 4.618 | 1.133 | 10.822 | <.001 |
| WOM | 5.087 | 0.920 | 23.425 | <.001 |
| Relationship | 4.706 | 1.312 | 10.660 | <.001 |
| Coupon Proneness | 4.582 | 1.334 | 8.650 | <.001 |

TABLE 4:
Test of hypothesized relationships

| Hypothesis | From | To | Path coefficient | t-value | p-value |
|----------------|--------------|--------------|------------------|---------|---------|
| H ₁ | Relationship | Involvement | .55 | 9.42 | <.001 |
| H ₂ | Involvement | Satisfaction | .48 | 8.50 | <.001 |
| H ₃ | Identity | Involvement | .29 | 5.56 | <.001 |
| H ₄ | Coupon | Satisfaction | .072 | 1.37 | n.s. |
| H ₅ | Involvement | WOM | .33 | 6.42 | <.001 |
| H ₆ | Satisfaction | WOM | .54 | 10.09 | <.001 |

$\chi^2 = 211.37$ (df = 95)
 RMSEA = .056
 CFI = .98
 NFI = .97
 GFI = .94

FIGURE 2:
SEM test results of the model of antecedents to Word-of-Mouth behavior among customers who “like” a company or organization on Facebook



* < .001

$\chi^2 = 211.37$ (df = 95), RMSEA = 0.056, CFI = .98, NFI = .97, GFI = .94

the company. When people become involved with a company using social media, it is partially due to long term satisfaction with that company that led to desires of further engagement between the customer and the company (Sashi, 2012).

H₁ was supported as the path coefficient between identity and involvement was positive and significant. Fan pages on social networking sites, such as the “like” feature on Facebook, become signals of a person’s self-identity (Jahn & Kunz, 2012). So if a person self-identifies with a brand they are also likely to become engaged with that particular brand (Jahn & Kunz, 2012). H₂ was supported as the path coefficient between relationship and involvement was both positive and significant. This finding is consistent with the involvement strategies managers use to maintain relationships with consumers on social media sites such as Facebook (Kiron, Palmer, Phillips, & Kruschwitz, 2012). H₃ was supported as the path coefficient between involvement and satisfaction was both positive and significant.

This finding is consistent with the literature which shows that the more customers are involved with a company the more satisfied they are with that company (Kovacs et al. 2011). H_{5a} was supported as the path coefficient between involvement and word-of-mouth was significant and positive. This is consistent with the literature which shows a positive relationship between involvement and positive word-of-mouth behavior by the customer (Vivek, Beatty, & Morgan, 2012). H_{5b} was supported as the path coefficient between satisfaction and word-of-mouth was positive and significant. This finding is supported by a large collection of research in the marketing field (for example see Mittal, Anderson, Sayrak, & Tadikamalla, 2005).

The overall model in this study was tested against two other models to determine if the fit was better than other alternative models. The first rival model added a path between identity and satisfaction and a path between relationship and satisfaction. Although the model fit was similar to the hypothesized model, the path

coefficients were not significant. In order to limit possible multicollinearity effects between relationship and identity, another model was tested in which the path from identity and satisfaction was eliminated but the path from relationship and satisfaction was retained. The overall fit indices were still good, yet there was no significant correlation between relationship and satisfaction. Apparently when people

“like” a company on Facebook, their satisfaction towards that company is highly correlated with their involvement with the company, which might indicate that active interaction between the company and customers will enhance satisfaction, especially among customers who “like” that company on their Facebook profiles.

TABLE 5a:
Test of alternative model 1 with direct paths from identity and relationship to satisfaction

| From | To | Path coefficient | t-value | p-value |
|--------------|--------------|------------------|---------|---------|
| Relationship | Involvement | .55 | 9.35 | <.001 |
| Involvement | Satisfaction | .39 | 4.55 | <.001 |
| Identity | Involvement | .29 | 5.45 | <.001 |
| Coupon | Satisfaction | .064 | 1.21 | n.s. |
| Involvement | WOM | .32 | 6.40 | <.001 |
| Satisfaction | WOM | .54 | 10.21 | <.001 |
| Identity | Satisfaction | .070 | 1.13 | n.s. |
| Relationship | Satisfaction | .073 | .91 | n.s. |

$\chi^2 = 210.41$ (df = 93), RMSEA = .057, CFI = .98, NFI = .97, GFI = .94

TABLE 5b:
Test of alternative model 2 with a direct path from relationship to satisfaction

| From | To | Path coefficient | t-value | p-value |
|--------------|--------------|------------------|---------|---------|
| Relationship | Involvement | .55 | 9.33 | <.001 |
| Involvement | Satisfaction | .42 | 5.22 | <.001 |
| Identity | Involvement | .29 | 5.51 | <.001 |
| Coupon | Satisfaction | .064 | 1.21 | n.s. |
| Involvement | WOM | .32 | 6.42 | <.001 |
| Satisfaction | WOM | .54 | 10.15 | <.001 |
| Relationship | Satisfaction | .084 | 1.05 | n.s. |

$\chi^2 = 211.02$ (df = 94), RMSEA = .056, CFI = .98, NFI = .97, GFI = .94

TABLE 5c:
Test of hypothesized relationships – current study

| Hypothesis | From | To | Path coefficient | t-value | p-value |
|----------------|--------------|--------------|------------------|---------|---------|
| H ₁ | Relationship | Involvement | .55 | 9.42 | <.001 |
| H ₂ | Involvement | Satisfaction | .48 | 8.50 | <.001 |
| H ₃ | Identity | Involvement | .29 | 5.56 | <.001 |
| H ₄ | Coupon | Satisfaction | .072 | 1.37 | n.s. |
| H ₅ | Involvement | WOM | .33 | 6.42 | <.001 |
| H ₆ | Satisfaction | WOM | .54 | 10.09 | <.001 |

$\chi^2 = 211.37$ (df = 95), RMSEA = .056, CFI = .98, NFI = .97, GFI = .94

Managerial implications

This study on Facebook “likers” was based on empirical analysis of survey data. The hypotheses are supported by and are congruent with existing literature that relate to the constructs used in our study. However no previous study has examined the inter-relationships among these constructs, particularly in the context of “likers” on Facebook.

The constructs investigated were underlying motivations for “liking” a company on Facebook. These motivations were modeled to determine their relationships to each other as well as to determine if there is an effect on word-of-mouth behavior outside of the social media context. There is a large positive effect of these variables on customer word of mouth behavior. People who “like” a company on Facebook, are satisfied with the product, and are involved with the company are more likely to engage in positive “word of mouth” behaviors beyond the scope of social media. As the results indicate, the importance of satisfaction cannot be ignored when considering motivations to clicking the “like” feature on Facebook.

The central role of involvement is a key finding of our study. It has a major impact on both satisfaction and word-of-mouth behavior. Additionally our findings suggest that companies on Facebook need to continually engage consumers with relevant communications in order to keep them involved. In Facebook, communications from companies tend to come as updates on a person’s Facebook wall. These updates can include invitations to activities, company news, or other means to help people feel a part of the company. When people are connected to a company through the “like” feature, providing relevant updates has a large impact on strength of the relationship. Additionally in order to obtain positive customer feedback and behavior, companies must engage in activities that continue to maintain satisfaction, such as superior service quality and staff friendliness (Yip, Chan, & Poon, 2012).

Coupon proneness was not found to be significantly related to satisfaction in this study,

although coupons remain important to “likers.” We presume that this anomaly stems from the fact that coupons may be a major incentive for consumers to “like” a brand or check for updates, but does not materially affect the level of satisfaction. So coupons might have become what Kano calls “must be” attributes of a product – attributes that are expected by consumers that do not provide additional satisfaction, however their absence creates great dissatisfaction (Kano, Seraku, Takahashi, & Tsuji, 1984). Coupons might be a way to initially pique consumer interest, but other elements such as friendliness and employee attitude may contribute more to overall customer satisfaction (Yip, et al., 2012).

Even though a customer may “like” a company on Facebook, thus leading to some form of firm-created word-of-mouth (Godes & Mayzlin 2009), that does not necessarily translate to customer initiated word-of-mouth. The findings in this research suggest that continued satisfaction with the firm’s product or service offerings and involvement through the use of relevant updates contribute to the influence of customer initiated word-of-mouth behavior. Araujo & Neijens (2012) further suggest that the updates through Facebook, or social networking sites in general, should be interesting, relevant, and engaging for customers. By following this suggestion, customers are more likely to engage in positive word-of-mouth with their friends and family. Moreover, it has been suggested that customers acquired through referrals are very attractive (Wangenheim & Bayon 2004). Additionally, encouraging positive word-of-mouth behavior is important because empirical research suggests that word-of-mouth behavior is associated with overall customer lifetime value (Lee, Lee, & Feick 2006).

Limitations and future research

As in any preliminary study, there are some limitations that we must acknowledge. First, as the sample size was limited to approximately 400 respondents, the sample was probably more reflective of early responders than late responders. Since the data collection was delegated to a third-party, commercial firm, complete control over data representativeness was difficult to maintain. Further, the study

does not incorporate behavioral measures of relationships or loyalty; that would be an avenue to further develop the model. Although some demographics were collected, the impact of demographics (age and sex) on the individual constructs was not examined. These relationships could be explored in future studies. Although other constructs could potentially affect satisfaction and word-of-mouth, such as brand loyalty and brand awareness, they were not included in the current study. This study only included constructs mentioned by respondents through a thought-listing exercise as shown in table 1.

Future research could compare model differences between services and goods, or categorize companies by industry in order to determine how the type of company would affect this model. Additionally, examining the impact of length of relationship could also provide interesting insights. Furthermore, the type of relationships that consumers have with companies that they “like” on Facebook [i.e. real (actual customer) vs. vicarious (not a customer)], could also be a fruitful avenue for future research.

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