Selection of Social Media Sites for Advertising: Literature Review and a Model Proposal

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Abstract

The rapid increase and spread of Social Network Sites (SNSs) have initiated new opportunities for marketing practice, especially for promotion activities. Numerous companies use various type of advertising and take advantage of social network sites for reaching their target audience. However, selecting the right SNSs for advertising has become a complex and multi criteria decision making process for marketing managers. The purpose of the current study is to develop a model for determining optimum SNSs for advertising activity.

Keywords: *SNA, SNSs, Social Network Advertising, Marketing, Promotional Activities*

Conference Topic: *Marketing Strategy*

Introduction

In recent years, social media has presented a perfect channel for marketers to reach their target audience, and also for consumers to share and receive information easily. Social media allows companies with all different sizes to engage timely and directly with their customers at relatively lower cost, yet more efficient level than traditional communication tools (Kaplan and Haenlein 2010). This novelty brings great competitive advantage to the companies which can keep up with this era (Çallı and Clark 2015).

Social media has been developing at rapid pace due to the evoluation of internet-based technologies from Web 1.0 to Web 2.0 in the last decade with numerous technological aids including AJAX, Mashups and user comments which enables any participant to became a content creator in other words prosumer[1]. Ease of exchanging and sharing any kind of User Created Content (text, audio, video) with a large number of niche groups (collections of friends) has enhanced social media in the democratic nature of Web 2.0 (Cormode and Krishnamurthy 2008). It's clear that the prospective development of internet technologies and social media has still been continuing together by Web 3.0 meaning the semantic web activities.

Kaplan and Haenlein (2010:61) defines social media as "*a group of internet based application that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of User Generated Content.*" Due to various types of social media, there are some academic attempts to classify them to understand much clearly (Weinberg and Pehlivan 2011;Kaplan and Haenlein 2010;Mangold and Faulds 2009). Recent reports have shown that SNSs, Blogs and Microbloging (Facebook, Blogger, Wordpress, Linkedin, Twitter,

[1] *a person who consumes and produces media (https://en.wikipedia.org/wiki/prosumer)*

etc.) applications have outpaced others in this competition, and therefore have become the most popular social media types (Nielsen 2012). For instance, according to Stelzner (2016)'s social media report, Facebook is a dominant player for marketers and 86% of social marketers use Facebook ads. As of the third quarter of 2016, Facebook had 1.79 billion monthly active users and it's worldwide ad revenues will reach nearly $26 billion this year. Its revenue is expected to grow to $33.76 billion in 2017 (eMarketer 2016, Statista.com 2016b).

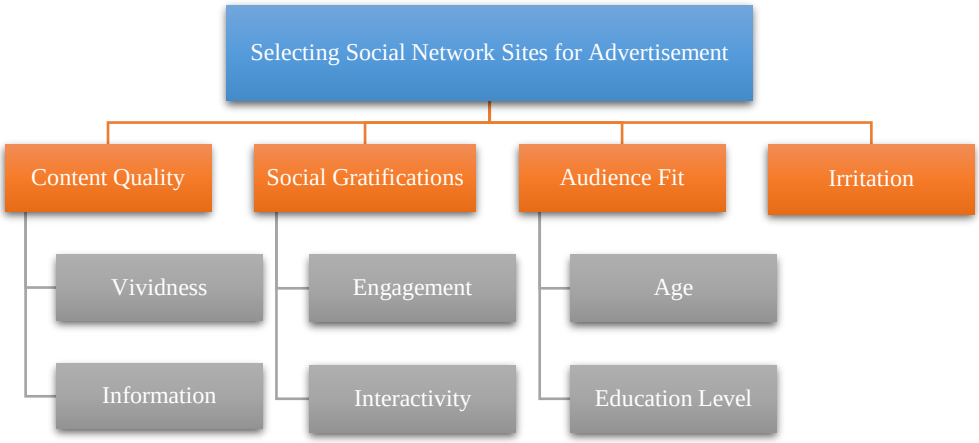
Considering the huge user population of social media applications, advertising has emerged as a great opportunity, and as a result it has become a prominent activity for all types of firms in this powerful media. Nevertheless, there are three different reasons which differentiate Social Media Advertisement (SMA) from traditional website advertising (Saxena and Khanna 2013). *First*, SNSs differ in delivery of message method. Some advertisement messages in SNSs may be perceived as 'pushed' while others can be perceived as 'pulled' for consumers. The main reason for this is availability of paid or non-paid advertisement types. *Second*, unique user-to-user interface of SNSs platforms. *Third*, it's growth potential. According to EMarketer (2015), advertisers worldwide spending on social networks was expected to be $23.68 billion in 2015, a 33.5% increase from 2014. By 2017, social networks ad spending will be expected to reach $35.98 billion.

Due to the new nature of SNSs for advertisement, it is significant for practitioners and academics to understand how advertisements are perceived by users on SNSs. Therefore, it is vital to decide which SNSs are appropriate, and privileged for advertisement. Nevertheless, today little is known about SNSs advertisements, and hence it is considered an essential field to be researched. The purpose of the current study is to develop a conceptual model for selecting the appropriate social network sites for advertising.

Literature Review and Conceptual Framework

A new type of advertising on the internet, called "*social advertising*" has started with SNSs and it has allowed advertisers to easily engage with customers through the advertisement. This kind of advertisement is very effective because of ability to target based on the social network for uncovering similarly responsive consumers (Tucker 2012). Four main evaluation criteria are suggested in this study as major factors (see Figure 1). In both online and traditional advertising literature, the terminology of vividness, interactivity and engagement are varied. These terms are often used interchangeably, antecedent or result of each other. In this study, the differences of these structures have been exposed and conceptual framework is established considering of these sub-structures.

Figure 1 Selecting Social Network Sites for Advertisement



Content Quality

The first major criteria for evaluating SNSs is called Content Quality which defines as a term to describe the quality of advertisement content. It is measured by assessing two sub-criteria which are Vividness and Information of the advertisement content. *Vividness* is a term in advertising literature and it should be appropriate to define as a sub-factor in Content dimension. The influence on customer's belief by enhancing the viewer's richness of the experience on web pages by rich media tools such as video, audio and animation may be considered as increasing tools of vividness (Coyle and Thorson 2001; Ching et al. 2013). Vividness is defined as "*the representational richness of a mediated environment as defined by its formal features, that is, the way in which an environment presents information to the senses.*" (Steuer, 1992:11). Vividness includes two main variables which are breadth and depth. Breadth is the number of different sensory dimensions that a medium can engage, and depth has defined the quality of these sensory dimensions. For example; a reading book is represented a low-level vividness and, 3D movie can be presented as high level (Steuer 1992). Studies are shown that providing enhanced vividness of the message with colors, graphic and animation has generated a favourable impact on advertising (Fortin & Dholakia, 2005:395). In this study, vividness defines as the potential richness of advertisement content such as video, audio, and animation that supported by SNSs.

Information is another sub-criteria of the Content factor. Consumers need to be informed of product alternatives to make choices yielding the highest level of satisfaction. Advertising provides information of these alternative products and this task (supplying information) is the primary reason of advertising to be approved by consumers (Ducoffe 1995). Information presents as an important determinant of advertisement effectiveness and has positively associated with SNSs advertisement value (Saxena and Khanna 2013).In this respect, due to different information ability of advertisement content on different social network sites, this study is considered that information is an important sub-criteria for selecting appropriate SNSs for advertising.

Social Gratifications

An important motivational tool that drives consumers for Internet use is Social Gratifications (Stafford, et al. 2004). Interactivity and Engagement are stated two sub-criteria of Social factor in this study. The first sub-criteria, *Interactivity* is the real time user participation degree of the content in mediated environment (Steuer, 1992: 14). In an online advertising, degree of control given to the consumers on advertising related with how much and what they want to view through links, control buttons or their responses is described as interactivity (Ching et al. 2013).Traditional mass media advertising principle assumes the consumers as a passive and captive receiver which turns (transforms) to a new concept of media environment with interactivity that consumers are the active participant and have control over the content which they interact (Novak & Hoffman, 1996:65). For examples, interactivity with hyperlinks, clicks, animations and using several layers in online advertisement has been found as a strong cue aiding to convince the users (Sundar and Kim 2005). Macias (2003) has found that interactivity leads more positive attitudes and has a positive effect on consumers' perceptions of brands and advertising. Interactivity defines as a degree of control that given to the consumers on SNA such as hiding advertising or getting detail information in this study.

Engagement is considered another sub-criteria under the social factor. Definition of engagement is better established in the e-learning literature and various descriptions are defined (Mollen & Wilson, 2010:922). Kearsley and Shneiderman, (1998) defines engagement as an activity that involves creating, problem-solving, reasoning and evaluation which occurs in the cognitive process for motivating e-learning students. They contend that engagement differs from interactivity and just promote interaction in the context of group activities which is based on the idea of creating successful collaborative teams. From this point of view, they argued that the engagement must include creative, purposeful activity and it makes differ from simple interactivity. In the marketing perspective, high relevance of brands to consumers and developing of an emotional bond between consumer and brands are two ideas have centred the engagement (Rappaport 2007). A research was conducted in the field of online advertising by Calder, Malthouse, and Schaedel (2009) which defines consumer engagement as a collection of experiences and the antecedent to outcomes of usage, affect, and responses to advertising within the website. For this study, engagement defines as offered tools by SNSs for users to response SNA. These responses could be sharing the shown advertisement in profile, liking advertisement or firm page, following the firm or making comment about the advertisement.

Audience Fit

According to the Stelzner (2016); Facebook, Twitter, LinkedIn, YouTube, Google+, Instagram, and Pinterest are the top seven platforms used by marketer and Facebook leads the group by far. However, this report also shows that Snapchat is on a growth trajectory and only 5% of marketers use this platform. The emergence of new social media platforms such as Snapchat, Ask.fm, Periscope, as well as innovations in existing platforms, including live video application on Facebook and Instagram or social shopping in different SNSs should be taken into consideration due to age and education characteristics of users. It seems, relatively new social media platforms are used by the new generation and old platforms are not in their interests. When considering the Snapchat user demographics, it's seen that 60% of Snapchat users in the

United States are aged between 13 and 24 years old in February 2016 (Statista.com 2016c). On the other hand, 49% of Facebook users in the United States are aged between 20 and 39 years old in January 2016 (Statista.com 2016a). The majority users of social media platform differ by demographic variables such as age, education, gender or income. It's thought that age and education level are most important variables in the selection of social network sites for advertising.

Irritation

In a traditional environment, when advertisements annoy, offend, insult or manipulate consumers, advertisements may be perceived as the treated to freedom and this perception has a negative effect on advertising value (Ducoffe 1995). Irritation of online advertising defines as feeling discomfort while watching advertisement due to personal or social reasons such as focusing on a particular task on WWW in limited time or goal oriented environment of SNSs and, irritation has similarly a negative effect on advertising value when considering SNA (Saxena and Khanna 2013). Ad Clutter, which defines the number of displayed banner ads, advertorials, text links and so forth on related web page is identified as the main reason to be perceived irritation by consumers and this perception might lead negative attitudes (Cho and Cheon 2004). Considering the SNSs, different SNSs offer different types of advertisement such as sponsored, suggested, banner, paid or nonpaid ads at the same time on the user interface. This approach might be reduced advertisement effectiveness and cause users to avoid fixing their eyes or ignore advertisement-like information that calls *banner blindness* due to inflation of ads on SNSs. SNSs is stated as a highly goal-directed environment and advertising is perceived as more irritating by users (Taylor, Lewin, and Strutton 2011).In this regards, the negative effect of advertisement should be considered when the selection of appropriate advertisement platform.

Conclusions and Future Researches

Internet, which is called "*hypermedia*" by Hoffman and Novak (1996, 1997) as a new medium, removes time and space limitations and presents personalized communication for users in a dynamic structure. This new dynamic and personalized media is different from traditional communications tools like TV, radio or telephone. Therefore, conventional marketing activities such as advertising require reconstruction for the new medium. The ability of target specific groups or individuals, unlimited delivery information beyond time and space, unlimited amounts of information, unlimited amounts sources, and the most significant one which is interactivity are defined as the differences of internet advertising from traditional media (Yoon and Kim 2001).

Selecting the appropriate and effective network(s) for internet advertising to maximize marketing performance reveals as a central decision-making problem for the advertiser (Lin and Hsu 2003). As a result of a comprehensive academic literature research, it is seen that AHP (Analytic Hierarchy Process) and ANP (Analytic Network Process) methodological approaches are extensively used decision making methods to select appropriate media to publish advertising at traditional media (Dyer, Forman, and Mustafa 1992) or traditional and internet medias (Coulter and Sarkis 2005), additionally these approaches are used in few researches to

determine advertising agency (P. Hsu and Kuo 2011; P.-F. Hsu 2010) and also online network (Ngai 2003; Lin and Hsu 2003; Tavana et al. 2013) for advertising.

The AHP (Analytic Hierarchy Process) is a common decision-making approach which enables analyst to derive ratio scale weights and facilitates decision making by subjective criterions such as perception, feeling, experience or objective criterion likes hard data and then aggregates the solution of all into a conclusion (Saaty 1990; Dyer, Forman, and Mustafa 1992). However, many decision problems involve dependence rather than a hierarchy, therefore The ANP (Analytic Network Process) was represented. ANP is defined as a generalization of the AHP by considering the dependence between the factors of the hierarchy (Saaty 2008).

There are few studies in the literature which use AHP/ANP methods for selecting appropriate online advertising network as stated above. Ngai (2003) represents a model with AHP approach to select optimum online network for a home delivery shopping company' ads which considering five main criteria. *Impression Rates*, *Cost*, *Content Quality*, *Audience fit* and *Look&Feel* are identified as evaluation criteria to select most effective web site for online advertisements. Tavana et al. (2013) uses the same model as developed by Ngai (2003) for selecting social media platforms with Fuzzy ANP method which is the first attempt in the academic literature. However, the deficiency of this study is using the model developed for internet advertising (banner) which is incompleteness to make a decision with regard to social media networks because of social gratifications. As stated in the literature, an important motivational tool that drives consumers for Internet use is social gratifications (Stafford, et al. 2004). Due to own nature of SNSs, users which have intention to engage with Social Network Advertisement (SNA) that shown on their interface and these communication outcomes would bring users closer together which may generate gratification in this environment (Taylor, Lewin, and Strutton 2011). Hereby, without social factors such as interactivity and engagement, making a decision about optimum SNSs for advertising should be mismeasured. Different SNSs have different advertisement types and social gratifications influence should be considered when selecting SNSs by the advertiser.

While this study was being prepared, no research was found in the academic literature about analytical SNSs evaluation for selection appropriate advertisement platform. The developed model may be used with ANP multi-criteria approach method for selecting the optimum social network sites for advertising.

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