Factors Influencing Customers’ Engagement In Social Media For Co-creation In The Fashion Industry Of Saudi Arabia

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Abstract. Many firms involve their customers in value co-creation through the use of social media sites that present unprecedented opportunities to connect these firms with their customers and offer a number of potential benefits. On the other hand, firms face the challenge of attracting customers. Based on the integrative structural model, this study proposed a model to clarify how social influence impacts customers’ co-creation experiences and also the perceived usefulness of the social media and perceived ease of use of social media. Consequently, these all influence the customers’ intention of future participation in co-creation activities. The findings may indicate that social influence has a positive effect on the intention to participate in social media for co-creation purposes, whether directly or indirectly, through affecting customer learning value, social integrative value, and hedonic value experiences, as well as through perceived usefulness and perceived ease of use.

Keywords: social media, co-creation, social influence, customer experience, TAM.

INTRODUCTION

Recently, as the competitive advantages and dynamic business environments of companies have increased [10;47] firms have increasingly adopted co-creation to become more innovative, to meet customers’ needs, and to develop cutting edge products and services [45;10]. This is especially true in the context of the fashion industry. Co-creation means that consumers and producers work together to generate value in the market place [42; 65]. Without doubt, Information Technology (IT) facilitates customers’ interaction with the co-creation process [29;19;7]. Social media tools, such as Instagram and Facebook, enable co-creation, through which new opportunities are created for companies to develop their procedures and to cooperate in new way with their customers, business partners and suppliers [12;63]. More than 1.5 million businesses have launched brand communities on social media platforms to leverage the potential of social sharing (a kind of co-creation activity) and to co-create market value [21]. Numerous researchers have studied the role of social media in marketing [49], however little research has studied the co-creation innovative potential of the social media [41;34].

Over the past few years, these social media tools have rapidly gained in popularity and have become the leading online objective in Saudi Arabia. According to the social clinic, in 2014 Saudi Arabia had the highest percentage of active Twitter users, with one-
third of the country’s online population using Twitter monthly. In addition, in 2012, there were 13,000,000 Internet users in Saudi Arabia, making up 49.0 % of the population, an increase from 9,800,000 users, representing 38.1 % of the population, in 2010 [26]. However, a limited amount of research has focussed on customers’ behaviour in relation to the use of the social media for purposes of co-creation in the Middle East, and especially in Saudi Arabia [5].

Firms gain much business advantage and economic value from co-creation with their customers. A famous example of co-creation is the Threadless firm that collected their T-shirt designs from their customers. Threadless currently has more than 50 employees and generates an annual revenue of around $30 million, and a profit of nearly $9 million, all through selling its customer designed T-shirts [23]. Although co-creation offers a number of potential benefits, firms face the challenge of attracting customers if they are to guarantee that customers will generate a consistent stream of high quality content [39]. Firms’ managers must work hard to understand the factors affecting customer participation, and then adopt efficient measures to support customer behaviour and to extend their customer base.

Numerous researchers have studied the role of social media in marketing, explores customers’ motivations for participating in social media tools and in co-creation activities. However, few studies have been conducted to examine the TAM model and to extend it to include the social influence variables or to integrate it with a customer experience model. This study attempts to close this gap by focusing on the development of a comprehensive model that theorizes how social influence affects customers’ intentions to participate in the future. Following this introduction, the rest of this article will be arranged as follows: in part two a literature review will be presented, the third part proposes a research model, and the final part presents the implications of the study.

LITERATURE REVIEW

In recent years, the revolution of social media tools has impacted on social connection and interaction, whether between individuals, firms, universities or governments. Social media refers to “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content” [27]. By combining social media and co-creation, a manufacturer is able to generate new ideas and solutions from the right target group [49]. Co-creation is initiated by the firms: supplier and customers work cooperatively on the innovation of new services or products [42].

The overall purpose of this study is twofold. First, it aims to examine the technology acceptance model (TAM) and then extend it to include social influence variables that explain customers’ behaviour in the social media as evaluated in various contexts. TAM is adopted for this research for several reasons: information system research suggests that TAM has become widely used [31;24] and has become one of the most influential models in this field of research [55] because it successfully includes the theoretical features of being simple (parsimony), the ability to confirm the data (verifiability), and can be used to forecast the acceptance and usage of new technologies in different fields (generalizability) [44]. Moreover, the TAM model has also been
considered suitable for studying the individual adoption of technology, particularly where individual differences and social influences are of interest [57]. TAM, as shown in Figure 1 below, has two important measures: perceived usefulness (PU) which refers to "the degree to which a person believes that using a particular system would enhance his/her job performance"; and perceived ease of use (PEOU) referring to "the degree to which a person believes that using a particular system would be free from effort " [14].

![Technology Acceptance Model](image.png)

**FIGURE 1. Technology Acceptance Model [14]**

TAM primarily assumes that information systems are used in organizational settings to improve the efficiency of the employees. TAM excludes the possibility that information systems may be applied outside of the organizational setting by individual users. Furthermore, TAM overlooks the role of social influence on the individual's attitude towards the social media. This is problematic, since much psychological research has shown that customers' behaviour is influenced by the behaviour of the other people around them. The effect of social influence on customers' behaviour when engaging in co-creation has seldom been tested. Customers' behaviour may be impacted not only by their own stimuli, such as usefulness, but also by the attitudes of other members of society. Social processes are significant in determining the course of decision making [6]. Social influence in IT refers to “the degree to which an individual perceives that important others believe he or she should use the new system” [57, p. 451]. The first aim of this study is to examine the role of social influence on the TAM.

The second objective of the study is to explore how customers’ experiences in co-creation are affected by social influences, and how this works in relation to the TAM model. In this study the customers’ experience will be explored because previous research has found that customers’ experience is the strongest factor impacting customer behaviour related to participation in co-creation activities [36]. This refers to the results arising from customers’ participation in the value adding co-creation process [28]. Pragmatics, sociability, usability and hedonic experiences are fundamental to the values that significantly influence customers’ continued participation in value co-creation [36]. This result is supported by action research conducted to explore co-creation experiences in virtual worlds [28], and by an empirical study that found customer learning, social integration, and hedonic experience significantly and positively affected the predicted intention of future participation. This results result is consistent with that of previous studies, except that the usability experience does not have a significant effect on future intention [63]. This study extends this result because it is conducted on co-creation behaviour through the social media.
The hedonic value experience refers to experiences that are mentally stimulating, entertaining, pleasant, and enjoyable [28]. Customers can feel hedonic when they interact with other customers and with tools and technologies and also when they contribute to new product development because they may experience this to be an enjoyable activity [20; 21; 37]. The second co-creation experience is social integrative value, and this refers to the underlying social and relational aspects of interactions between the company and its customers [28]. Customers achieve a social experience through interacting with the firm and with other customers and perceiving themselves to be members of a community [35]. Finally, the customer’s learning experience is the realization of the cognitive benefits that relate to the information acquisition process [28]. Most customers who visit or participate in co-creation activities do so to acquire information about a product, its usage and to develop their skills and innovative capacity [8; 35; 64]. Learning a new technology is an intrinsic motivation for people [48]. It is natural for customers to want to learn and practice a new technology, such as social media, as well as to learn new information about products and designs. All this new knowledge enhances the learning experience for the customers. Customers experience these important benefits when participating, and these can motivate them to participate further.

RESEARCH MODEL AND HYPOTHESES

The proposed model for this research integrates the TAM model with social influence theory from the social media theories, and the customers’ experience model from the co-creation behaviour theories.

The Effect of Social Influence

It is natural to believe that social influence motivates customers to share their knowledge with other customers and other firms during their participation. Consequently, customers will increase their knowledge and skills. In addition, several empirical studies have provided evidence that subjective norms have a positive effect on the intention to share knowledge [9; 30]. Thus, hypothesis H1 is developed. H1: Social influence value is positively related to customers’ learning value.

This study suggests that when customers perceive high levels of social influence to prompt them to participate in social media for co-creation, they will choose to adopt it rather than avoid it. Subsequently, through their participation, customers will enhance the quantity and quality of the social relationship with the firm and with other participants. Social benefit is linked to the level of participation [11]. This argument has been supported by empirical study [61]. Thus, hypothesis H2 is developed. H2: Social influence value is positively related to social integrative value.

It is evident that social influence in the form of congruent opinions and positive information from previous customers about their experiences when using social media for co-creation will lead to enhanced enjoyment; while incongruent opinions and negative information will lead to diminished enjoyment. Social influence thus has a positive effect on hedonic value [43; 61]. Thus, hypothesis H3 is developed. H3: Social influence value is positively related to Hedonic value.
Perceived usefulness and perceived ease-of-use constructs come directly from the TAM model. Perceived usefulness refers to the degree to which a customer believes that engaging in social media for co-creation purposes will enhance their performance [14]. Based on TAM2 and TAM3, Social influence (subjective norms) has an effect on perceived usefulness [55; 54]. Moreover, this result is supported by an empirical study in the wireless mobile technology context [33]. Thus, hypothesis H4 is developed.

H 4: Social influence value is positively related to perceived usefulness.

Perceived ease-of-use refers to the degree to which a person believes that participating in social media for co-creation purposes would involve minimal effort [14]. Although ease-of-use is dependent on customers’ skills and social media tools, customers will be impacted by the explicit opinions of their society regarding the ease of use of social media. Social influence can affect the perceived ease-of-use among non-adopters of social media. This argument is supported by empirical studies [33; 32]. Thus, hypothesis H5 is developed.

H 5: Social influence is a positively related to ease of use.

In information system research, most of the acceptance models demonstrate that social influence has a positive effect on individual behaviour regarding future participation in the system in both mandatory and voluntary contexts; namely: the theory of reasoned action (TRA), the theory of planned behaviour (TPB), the technology acceptance model (TAM2, TAM3), the unified theory of acceptance and use of technology (UTAUT, UTAUT2) [3; 17; 55; 54; 57; 59]. Furthermore, this result is supported by empirical studies in such different areas as playing on-line games [25] and blog platforms [60]. Thus, hypothesis H6 is developed.

H 6. Social influence is positively related to the continued intention to use social media for co-creation.

The Effect of the Customer Co-creation Experience

The customers’ co-creation experiences involving learning value, social integrative value, and hedonic value have a positive effect on their future participation in value co-creation on a firm-initiated social media site [63]. Based on this study, hypotheses H7, H8 and H9 are developed.

H7: The customer learning value is positively related to the intention to use social media for the purpose of co-creation.

H8: Social value is positively related to intention to use social media for the purpose of co-creation.

H9: Hedonic value is positively related to intention to use social media for the purpose of co-creation.

Accordingly to the TAM3, perceived enjoyment significantly influences perceived ease of use [54]. In addition, this relationship has been supported by empirical studies [53; 58; 1; 16]. Thus this study proposes the following.

H 10:Hedonic value is positively related to perceived ease of use.

The hedonic value derived when customers use social media for co-creation can increase time spent on their participation, resulting in greater usefulness. Prior studies have argued that hedonic value as intrinsic motivation had a positive significant relationship with usefulness as extrinsic motivation [58; 16; 22]. Thus, this study proposes the following.

H 11:Hedonic value is positively related to perceived usefulness.
The Effect of the Technological Acceptance Factors

Based on TAM, perceived usefulness and perceived ease of use of the system are important variables for determining intention to use the system [14]. TAM shows that perceived usefulness is influenced by perceived ease of use because users can accomplish more tasks when system usage is easy. These TAM relationships have been supported by different empirical studies [33; 51]. Based on these findings, hypotheses H10, H11 and H12 are developed.

H 12: Perceived ease of use is positively related to continued intention to use social media for co-creation.
H 13: Perceived usefulness is positively related to continued intention to use social media for co-creation.
H 14: Perceived ease of use is positively related to perceived usefulness.

Control Variables

To test the research model, it was predicted that women and young people had greater potential for engaging in value co-creation activities because they may feel more comfortable with social sharing [38]. Women are impacted more by social influence than men [56]. In Figure 2, all hypotheses discussed in this article are represented in a research model.

FIGURE 2. Research Model
The Conclusion

This article suggests a revised TAM model for increasing our comprehension of a social media customers’ behaviour in co-creation services. Moreover, This article explored and incorporated extra significant variables, social Influence, hedonic value, social integrative value and customer learning value, to become the TAM model more significant in the acceptance and usage of social media for co-creation services. The results could expect that social influence have a positive effect on the intention to participate in social media for co-creation purposes.

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REFERENCES


