

# **Hedonic and Utilitarian Motivations to Use Facebook Brand Communities and Their Effect on Purchase Intentions**

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## **Abstract**

Companies' Facebook pages have emerged as a commonly used marketing and sales tool, but consumers' motivations for using these pages and their effect on intentions to purchase the host company's products are currently unclear. The present study examines consumers' hedonic and utilitarian motivations for using company-hosted Facebook pages in relation to the community's usage, operationalized as 'browsing', and the relationship between usage and purchase intentions. Analysis of data collected from 1576 members of three different companies' Facebook pages reveals that utilitarian motivations relate more strongly to browsing the community page than hedonic motivations. The results also demonstrate that browsing has a significant positive relationship with intentions to purchase from the community sponsor and it mediates the motivations and purchase intentions. The findings offer insight into consumers' behavior in brand communities and into the prospects of Facebook being a viable sales channel to companies.

Keywords: Brand Community, Facebook, Hedonism, Utilitarianism, Social Commerce

## **1. Introduction**

Social commerce is predicted to be the next large and disruptive phenomenon in business in terms of redefining the customer relationship (Wesson, 2010). This phenomenon has evolved over time, and is currently generally defined as *commerce activities mediated by social media* (Curty and Zhang, 2011).

Companies are integrating social shopping tools such as recommender and review systems into their web store sites (Stephen and Toubia, 2010), and are increasingly using social networking services for commerce-related activities, or are planning to do so in the near future (Wesson, 2010). Furthermore, from the perspective of sales, social networks offer companies a way to be in a direct contact with their customers in a way that traditional e-commerce platforms do not allow.

The internet abounds with social networking sites such as Facebook, Twitter, YouTube, and Myspace, for example. The power of such online networks lies in the fact that they, unlike the topically organized web in general, are organized around their users (Mislove et al., 2007), thus making it possible to utilize user interconnectedness in order to reach large audiences at a relatively low cost. These sites also offer a potential

landscape for the formation of powerful consumer communities. This potential has aroused a great deal of interest in social media, and especially in Facebook as a marketing tool: 76 percent of companies in 2011 reported that they planned to strengthen their presence on Facebook (SocialMediaExaminer.com, 2011). Although there is no denying the popularity of many other social networking sites, Facebook is currently the most widely used, with over one billion users globally (Facebook, 2011).

However, despite the undeniable commercial potential, no sound theories exist that would enhance understanding of what motivates consumers to interact with companies in social media environments. Their motivations for participating in traditional brand communities is fairly well documented, but social networking sites represent a different kind of environment in which the consumer can choose to interact with multiple companies within one site, with relatively little effort. Thus, a consumer interacting with a company on a social networking site might not be as committed to it as a consumer who joins a brand community discussion forum located on a separate site, for example.

Current research widely adopts the view that consumption behavior includes both utilitarian and hedonic dimensions. Utilitarian behavior is defined as goal-oriented and rational, concerned with effectiveness and instrumental value, whereas hedonic behavior implies seeking fun, play, enjoyment and experiences (Babin et al., 1994; Batra and Ahtola, 1990; Dhar and Wertenbroch, 2000). Both dimensions have been found to explain traditional consumer behavior (Arnold and Reynolds, 2003; Babin et al., 1994), as well as, more recently, online consumer behavior (Cotte et al., 2006; Hartman et al., 2006). In the context of consumption behavior on the web, online communities established by companies represent a fertile research landscape given their potential positive effect on loyalty to the host-company or brand (Jang et al., 2008). There is wide recognition among researchers of the utilitarian value of online communities for consumers (e.g. Bateman et al., 2010; Casaló et al., 2010; Sanchez-Franco and Rondan-Cataluña, 2010), but their hedonic value has received somewhat less attention (c.f. Sanchez-Franco and Rondan-Cataluña, 2010).

Facebook offers companies and organizations the tools with which to create community-like environments within the site. Facebook pages are similar to individual user profiles, but are meant for organizations and other bodies, and they are public. They also offer more flexibility in terms of the differentiation and use of

different applications. Further, users can interact with pages on Facebook by ‘liking’ them. Pages possess attributes of online communities, as members share a common interest (Koh and Kim, 2003; Muñiz and O’Guinn, 2001) and are able to participate in the community through posting, commenting and sharing content. An increasing number of companies have adopted Facebook pages as a marketing tool, but many Facebook marketers still struggle to understand how they can best create business value through the medium. Practitioners often discuss the return-on-investment (ROI) of social media, indicating the difficulty of substantiating the impact of social media marketing on sales (SocialMediaExaminer, 2011).

The aim in the current study is to tackle these challenges by developing a model for consumer behavior on company-hosted Facebook community pages. In particular, we examine the relationship between the members’ hedonic and utilitarian motivations for using the community and their actual usage behavior. We seek answers to the following research question: How are users’ hedonic and utilitarian motivations for using companies’ Facebook community pages reflected in their usage behavior? We operationalize the usage behavior as browsing. Further, in order to complete the model we also explore the outcomes of the usage behavior in terms of purchase intentions. More precisely therefore, we explore the relationship between different usage motivations, behaviors and intentions to purchase the host company’s products. Although purchase intentions do not necessarily mean that actual purchasing will take place, they do appear to possess predictive power (Jamieson and Bass, 1989). We explore this outcome for two reasons. Firstly, understanding only motivations and behavior is inadequate for practitioners who are interested in the business value of their marketing initiatives. Linking behavioral actions to concrete outcomes will give a more in-depth understanding of consumer behavior in the context of Facebook community pages. Secondly, studying purchase intentions with regard to the host company’s products will give an insight into the type of behavior and content that should be supported within the community in order to achieve a positive impact on sales. Further, purchase intentions reflect users’ *future* intentions, thus capturing the potential value of community members who might currently be non-buyers.

This paper provides a basis on which to study hedonic and utilitarian consumer behavior within the novel context of social commerce mediated by social media. Given that social media-related activities are steadily gaining in terms of the proportion of all time spent online (Nielsen, 2011), there is a clear need for research

that would enhance understanding of both the hedonic and the utilitarian drivers of consumer participation in commercial social media environments. Neither dimension alone is sufficient to explain and capture the complex phenomenon of such consumer behavior. Additionally, the study provides understanding of the usefulness of Facebook and other similar social networking sites as actual sales channels as the presence of purchase intentions offers an opportunity to approach potential customers with a sales offer. Without the presence of buying intentions, there is no use to increase the sales orientation in the community.

## **2. Theoretical background**

### *2.1. Hedonic and utilitarian web consumption*

There is ample evidence that hedonic and utilitarian motivations affect consumption behavior (Arnold and Reynolds, 2003; Babin et al., 1994; Batra and Ahtola, 1991; Dhar and Wertenbroch, 2000; Holbrook and Hirschman, 1982). It is further suggested that utilitarian motivations relate to goal-oriented and rational behavior, whereas hedonic motivations are concerned with fun, playfulness and enjoyment (Babin et al., 1994; Batra and Ahtola, 1991). Holbrook and Hirschman (1982) explicitly refer to hedonic and utilitarian consumption motivations, claiming that the traditional view of consumption as an objective act, focused on gaining maximum utility value, is likely to be inadequate in terms of capturing the wide spectrum of consumption motives. Batra and Ahtola (1990) subsequently found that consumers derived value from consumption bi- dimensionally, enjoying both instrumental (utilitarian) and experiential (hedonic) benefits.

Recent research has focused on the hedonic and utilitarian dimensions of web consumption (e.g. Childers et al., 2001; Cotte et al., 2006; Hartman et al., 2006). Web consumption incorporates a multitude of behaviors, such as browsing, searching, shopping, and seeking entertainment (Parasuraman and Zinkhan, 2002), which are inherently practical, objective and goal-directed, or subjective and experiential (Babin et al., 1994; Cotte et al., 2006; Hartman et al., 2006; Holbrook and Hirschman, 1982). Moreover, web environments in themselves may be hedonic or utilitarian, or a mixture of both (van der Heijden, 2004). According to van der Heijden (2004), the hedonic or utilitarian value of an information system - such as a web environment - can be determined by the degree of utility or enjoyment it provides for the user. Thus, its nature as well as the

hedonic and utilitarian benefits sought from its use will determine the kind of usage behavior in which the user engages (Cotte et al., 2006; van der Heijden, 2004).

## *2.2. Online brand communities*

Internet technology allows for easy information sharing and communication beyond geographical and time limits. The absence of such limits sets online communities apart from traditional geographically bounded communities (Bagozzi and Dholakia, 2002; Kozinets 2002), as they exist entirely within a computer-mediated environment located in cyberspace (Hagel and Armstrong, 1997; Koh and Kim, 2003). Online communities usually depend on voluntary actions on the part of their members, and are built around shared interests (Bagozzi and Dholakia, 2002). Shared interests are the defining feature of a voluntary community and a prerequisite for its existence (Koh and Kim, 2003). Equally important for the survival of an online community is interaction among the members (Hagel and Armstrong, 1997), by means of which they share information and pursue common interests (Hagel and Armstrong, 1997).

Online communities vary, communities of consumption being a distinct type (Kozinets, 1999). Kozinets (1999) defines communities of consumption as ‘affiliative groups whose online interactions are based upon shared enthusiasm for, and knowledge of, a specific consumption activity or related group of activities’.

Brand communities are similar and are also related to consumption, but instead of focusing on the consumption activity they are based on a shared interest in and admiration for a specific brand (Muñiz and O’Guinn, 2001). Online brand communities fall into two distinct types. Reflecting the member-initiated and organization-sponsored types of virtual community Porter (2004) identified, Jang et al. (2008) categorize online brand communities as consumer-initiated and company-initiated. The former are unofficial communities that are built voluntarily by consumers, whereas the latter are created by companies, usually in order to initiate a conversation with customers and to create a channel for accessing feedback and disseminating marketing messages. Brand communities in themselves can affect the behavior of their members in many ways (c.f. Muñiz and O’Guinn, 2001; Kozinets, 2002). Indeed, it has been suggested that the way a brand community is hosted (consumers vs. companies) moderates the effects on its members’ behavior (Muñiz and O’Guinn, 2001) and brand loyalty (Jang et al., 2008).

Facebook pages have certain features that categorize them as online communities, but also features that set them apart from traditional online communities. Companies use their Facebook pages in order to communicate to and with consumers, thus their representatives create a large proportion of the content. As a result, these pages bear some resemblance to blogs, or even traditional company web sites. Unlike blogs and web sites, however, Facebook pages also allow member-initiated communication, thereby giving members the opportunity to create content on the page. Furthermore, what makes companies' Facebook pages recognizable as communities is that the members share a common interest, which is why they 'liked' the page in the first place. Therefore, despite certain differences from traditional online communities, it would seem appropriate for the purposes of this study to define such pages as company-initiated online communities. We acknowledge the existence of consumer-initiated brand community pages on Facebook, but such communities fall beyond the scope of the current study.

### **3. Research framework and hypotheses**

The research model proposed below is based on the theoretical background discussed above. The model explores the relationships between hedonic and utilitarian motivations in the use of company-hosted Facebook pages, community usage behaviors, and intentions to buy from the host company.

#### *3.1. Hedonic and utilitarian motivations for using company-hosted Facebook community pages*

Although previous research findings clearly indicate the presence of both hedonic and utilitarian dimensions in web usage behavior in general, very few attempts have been made to model both types of motivation for using online brand communities. Many models of online brand community behavior (e.g. Casaló et al., 2010) and technology acceptance (Davis, 1989) include the dimension of perceived usefulness, which by definition indicates an underlying utilitarian dimension and is therefore closely related to utilitarian motivations for engaging in online shopping, for example (Childers et al., 2001). The perceived usefulness of a technological application or an online brand community has been found to have a positive effect on their use (Casaló et al., 2010; Davis, 1989). However, the more experiential dimension and the enjoyment value of online communities have received little attention so far.

We broadly categorize the motivations for using company-hosted Facebook community pages as hedonic and utilitarian. In line with definitions put forward in previous research (Babin et al., 1994; Childers et al., 2001; Cotte et al., 2006; Holbrook and Hirschman, 1982), we suggest that users with utilitarian motivations at a given time seek to achieve a certain goal through the community, such as finding useful information before making a purchase decision. Hedonic motivations, on the other hand, refer to the search for fun and entertainment from the community experience itself. Further, we would expect utilitarian motivations for using a community to be related to obtaining useful information on the object of interest, for example, and making consumption-related decisions in a more efficient manner. Hedonic motivations, on the other hand, are likely to be related to finding a good way to spend time, wanting to be entertained and having fun while visiting the community.

It should be kept in mind that these motivational dimensions are not mutually exclusive or fixed, and may co-exist and change depending on the user's situation and needs (Babin et al., 1994; Cotte et al., 2006). A consumer aiming to complete a task at a given time visits a certain community with this need in mind, but in another situation he/she might visit the same community in order to pass the time and to be entertained. However, previous research findings indicate that consumers usually have a tendency to lean more towards one end of the hedonic vs. utilitarian motivation spectrum than the other depending on their inherent general time-planning style (Cotte et al., 2006). Thus, we suggest the need to differentiate between hedonic and utilitarian motivations in order to enhance understanding of consumer behavior within company-hosted Facebook community pages.

### *3.2. Community usage behavior*

We based our investigation into the behavioral patterns of consumers in company-hosted Facebook page communities on the literature on online consumer behavior and online communities. The internet in itself allows for relatively varied usage behaviors, which can roughly be categorized as information search, exploratory browsing, entertainment and shopping (Cotte et al., 2006). Online communities usually show a more limited set of behaviors, however, depending on the technical and functional platform. The literature on online communities identifies two main types of community membership based on the members' behavior.

‘Quiet membership’ usually refers to members who read posts by others but rarely post anything themselves, whereas ‘communicative membership’ refers to those who take a more active approach by interacting with the community (Hammond, 2000). Similarly, Burnett (2000) categorizes online community behaviors as interactive and non-interactive.

Consuming content created by others is the way the members of online communities both access and transfer informational and social value (Bateman et al., 2010; Welser et al., 2007). Content is consumed through reading posts or viewing videos and images added by other community participants (Bateman, 2010), thus representing non-interactive community behavior (Burnett, 2000). The user interface on a Facebook page does not support any directed search activities, thus the user browses the page in order to access content and information. The term *browsing* has multiple meanings depending on the context, but is generally defined as a type of search behavior characterized by the user actively scanning an environment when moving through it. It can be either goal-directed or non-goal-directed, planned or unplanned (Chang and Rice, 1993). In the context of a Facebook community page, we define browsing as scanning and monitoring the community, either directly on the actual page or, more often, through the user’s ‘newsfeed’ view.

### 3.3. Hypotheses

The proposed research model derives from the literature on usage behavior in online communities. Building on the theory of web usage proposed by Cotte et al. (2006) in particular, we suggest that users’ hedonic/utilitarian motivations determine their usage behaviors. Further, the strength of a community member’s intention to purchase the host-company’s products could be termed as the outcome of such behavior.

Online browsing behavior has often been associated with seeking sensory stimulation and experiences from web use (Cotte et al., 2006; Hoffman and Novak, 1996; Moe, 2003; Novak et al., 2003; Pace, 2004). In the context of shopping, Arnold and Reynolds (2003) suggest that consumers may seek hedonic shopping experiences through sensory stimulation and the ideas they have while shopping. This resembles the concept of the recreational shopper - an individual who derives enjoyment from the experience of going shopping regardless of whether or not a purchase is made (Arnold and Reynolds, 2003; Brown et al., 2001). Hedonic



shopping behavior in this sense is reminiscent of browsing as stimulation-seeking and experiential behavior, thus implying a positive relationship between browsing and hedonic motivations for using a Facebook community page. The findings reported by Cotte et al. (2006) suggesting that the search for hedonic web-usage benefits is positively related to exploratory browsing support this notion. In addition, there is evidence that consumers enjoy obtaining information about something they are interested in as an end in itself, not necessarily for current purchase-related needs (Bloch et al., 1989), and that they enjoy the process (Mathwick and Rigdon, 2004). Users browsing a Facebook community page are exposed to sensory stimulation through multimedia content, new ideas, and information related to their area of interest.

In the light of these arguments, we propose the following:

*H1: Hedonic motivations are positively related to browsing behavior.*

Utilitarian motivations for engaging in a particular type of behavior usually concern completing a task in an efficient, timely manner (Babin et al., 1994; Cotte et al., 2006). Accordingly, consumers thus motivated to use an online community are not likely to want to engage in time-consuming activities - such writing posts or comments - if it is not necessary, and are rather more concerned with finding content that suits their purposes (Dholakia et al., 2004; Kozinets, 1999). In the context of general web usage, Cotte et al. (2006) found that utilitarian motivations had a strong positive relationship with search behavior. Bateman et al. (2010), on the other hand, discovered that the level of a member's continuance commitment positively affected thread-related reading behavior in online communities but had no effect on posting. Continuance commitment refers to the user's perception of the cost/benefit ratio of engaging in such behavior. According to Bateman et al. (2010), users seeking instrumental value from the community will only engage in behaviors of the most direct value to them. However, users may also browse in order to build up their knowledge of a subject of interest for future use (Bloch et al., 1986). Browsing the community page could therefore reflect utilitarian motivations even if the user is not currently looking for a specific piece of information (Moe, 2003). We therefore posit the following:

*H2: Utilitarian motivations are positively related to browsing behavior.*

Park, Lee and Han (2007) found in their study on online consumer reviews that purchase intentions were positively affected by both the quantity and quality of the reviews consumers read, reflecting the importance of information on consumer decisions. Similarly, previous research (e.g. Kozinets, 2002; Sen and Lerman, 2007) has shown that information obtained in an online social network affects the consumer's decision-making process. Consumers browsing a community online tend to encounter substantial amounts of information, and as Kim et al. (2004) report, fulfillment of the information needs of members of an online travel community may have a positive effect on brand loyalty and purchase intentions. Visitors to company-hosted Facebook community pages encounter, in addition to posts by other members, a variety of marketing messages and other information from the host company. Thus, obtaining information through browsing a Facebook community page enables the members to fulfill their information needs related to a purchase decision. In other words, the more the user browses a particular community page, the more likely he/she is to be exposed to information and marketing messages that may be useful. This reflects the idea of online communities as information environments in which users can situate themselves in order to keep a lookout for information related to their areas of interest (Burnett, 2000). In the light of the above arguments, we posit following:

*H3: Browsing behavior is positively related to purchase intentions*

Hedonic motivations direct one's focus to content that evokes excitement, fantasy or self-fulfillment (Childers et al., 2001) that arguably comes on average at a higher price. Further, information related to that kind of content makes a hedonic purchase more probable - one starts, for example, dreaming of an exotic getaway instead of a nearby holiday destination. Indeed, impulse buying has been linked to hedonic consumer behavior (Chunling & Bastin, 2010). In other words, hedonic consumers are more prone to make fast and spontaneous purchase decisions, something that is inherently close to the fast-paced nature of Facebook and social media in general. Therefore, we hypothesize:

*H4: Hedonic motivations are positively related to purchase intentions*

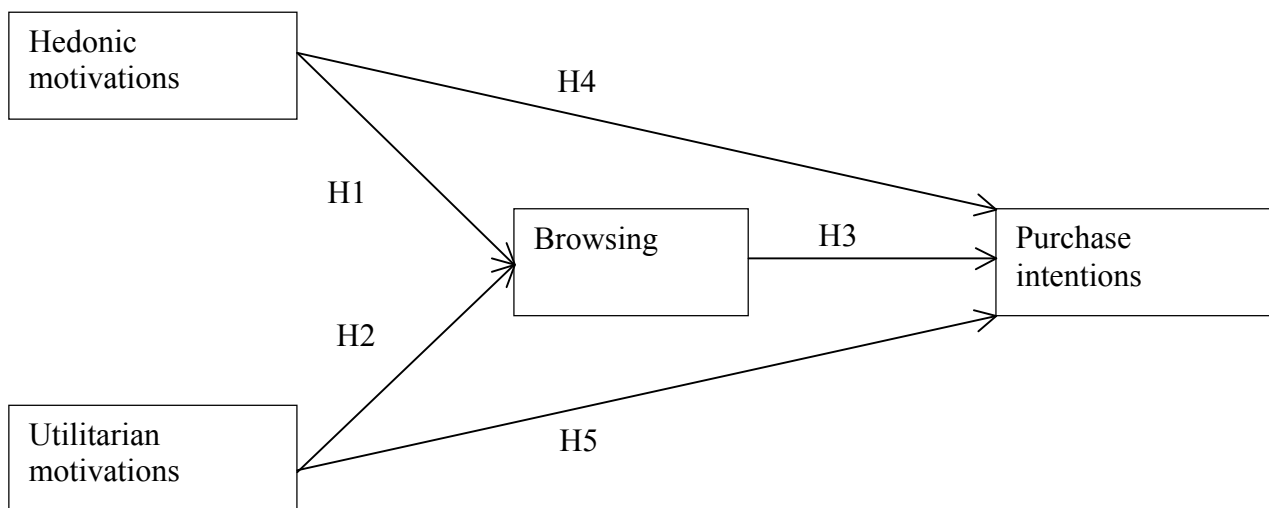
Utilitarian motivations lead a consumer to cost-feature optimization, thorough planning and consideration of purchase options and less emotional decision-making (Batra & Ahtola, 1990; Dhar & Wertenbroch, 2000).

However, as time is an important factor in utilitarian consumers' behavior (Cotte et al., 2006) and they are purposeful in their actions, any activity has a reason behind them. Therefore, we believe that utilitarian motivations increase consumers' purchase intentions as those consumers are aware of the consumption aspect of companies' Facebook pages. They are also more open to good deals offered on Facebook, which increases the intention to purchase. Thus, we argue:

*H5: Utilitarian motivations are positively related to purchase intentions*

Figure 1 sets the hypotheses within the research framework.

Figure 1. Research framework



#### 4. Analysis and results

##### 4.1. Data collection

Data was collected from members of Facebook communities of three different European companies. The companies are well-known brands in their home country and each of them has an extensive customer base. The companies operate in travel, supermarket retail and electronics retail. The travel agency and the electronics retail chain have operated in online environment as well as in Facebook for many years, while the supermarket retail chain is less accustomed to digital marketing. The case pages were chosen for two main reasons. Firstly, they offer typical examples of how companies use Facebook pages: all of them are pure

brand pages rather than an interest-group page of the type that some companies are currently creating for marketing purposes. A pure brand page here refers to a page of which the users are primarily fans of the brand. The content is created both by the host companies and the page members. The host companies' posts are usually promotional offers and items related to various marketing campaigns, whereas members post questions, offer reviews on products and comment on the host company's and other members' posts. Secondly, the companies represent mainstream and popular brands in their home country. Based on these considerations, we believe that the results of the study are generalizable to the wider context of Facebook use in other industries as well.

We collected the data by means of a web survey carried out during August 2011. The survey was first pretested on 21 university students in order to ensure its functionality, after which some minor changes were made (e.g. to the wording). The final survey went out as a public web links that were posted on the Facebook pages. The survey attracted 1576 usable responses. No exact response rate could be calculated because it is impossible to estimate the number of users exposed to the survey link. Facebook pages tend to be viewed through the user's newsfeed view, and the actual page may not be visited on a regular basis. Thus, some members may not have noticed the links if they chose not to receive community updates on their newsfeed view. Moreover, the user may simply not have seen the links, or may not have visited Facebook when they were posted.

A clear majority, 73% of the respondents were members of the travel agency's Facebook page. 17% were members of the supermarket chain, while 10% were members of the electronics retail chain's Facebook community. Of the respondents, 80% were women and 20% men, a ratio that corresponds to the demographics of the population (members of the companies' Facebook community pages). The age distribution also corresponded well with the population demographics: the average age was 41 years.

#### *4.2. Measurement*

We based the measurement model on a careful literature review, choosing the items from measurement scales validated in previous research on hedonic and utilitarian web consumption and web and online community usage behavior. However, given the lack of similar studies in the context of Facebook

community pages, we had to adapt the items to fit the context, and to add some new ones. They were all formulated to fit a Likert-type (1–7) scale. The items for hedonic and utilitarian motivations were adapted from Cotte et al. (2006), and the items on browsing were derived from the exploratory browsing items developed by Novak et al. (2000). The scale for purchase intentions was based on two sources, Casaló et al. (2010) on the intention to use community products, and Park et al. (2007). The final items are presented in Table 1.

Table 1. Measurement scales

<b>Construct</b>	<b>CR</b>	<b>AVE</b>	<b>Loadings*</b>	<b>Items**</b>	<b>Based on</b>
<i>Hedonic motivations</i>	0,870	0,562	0,880	The community offers a good way to pass time	Cotte et al., 2006
			0,940	The time spent in the community is truly nice	
			0,926	Using the community is fun	
			0,893	Using the community is fun considering what else I could have been doing	
			0,815	I don't like the community only for its informational value	
0,754	The community offers inspiration and new ideas				
<i>Utilitarian motivations</i>	0,843	0,515	0,808	The community helps me to make decisions	Cotte et al., 2006
			0,889	I'm able to find relevant information without much effort	
			0,874	I like the community for the useful information it provides	
			0,874	The community is a convenient source of information	
			0,775	The opinions and experiences of other users help me in decision-making	
0,842	The community helps me to plan my purchases in a more efficient way				
<i>Browsing</i>	0,660	0,446	0,867	I like to browse the community to see what's new	Novak et al., 2000
			0,885	I like to browse the community for ideas	
			0,663	I browse the community out of curiosity	
<i>Purchase intentions</i>	0,797	0,611	0,782	I could consider buying from the community sponsor in the near future	Casaló et al., 2010; Park et al., 2007
			0,870	It is likely that I buy a product from the community sponsor in the near future	
			0,853	I intend to buy the products offered in this community in the near future	

\* All loadings are significant at  $p < 0.01$

\*\* All scales were measured on a 7-point scale, ranging from 1 = strongly disagree to 7 = strongly agree

Amos 19 software was used in conducting a confirmatory factor analysis to test measurement validity. The first step was to evaluate convergent validity by inspecting the individual item loadings: all the items loaded well over .60 for the construct they were intended to represent, thereby exceeding the suggested threshold value (Fornell and Larcker, 1981). To prove discriminant validity of the model, we used the Fornell and Larcker procedure (1981) and compared the square root of AVE for a given construct (presented on the diagonal on bold in Table 2) to the absolute value of the standardized correlation of the given construct with any other construct in the analysis. Summary statistics for the measurement model are presented in Table 2.

Table 2. Correlation matrix

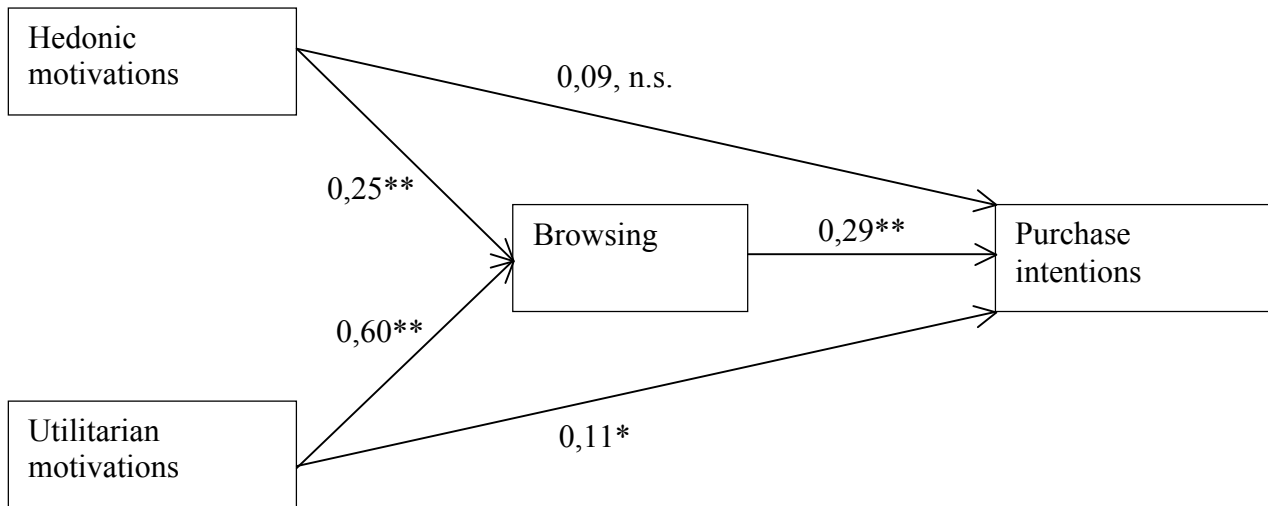
<b>Construct</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1. Hedonic motivations	<b>0,750</b>			
2. Utilitarian motivations	0,762	<b>0,718</b>		
3. Browsing	0,708	0,791	<b>0,668</b>	
4. Purchase intentions	0,263	0,279	0,279	<b>0,781</b>

Square-roots of AVE on the diagonal on bold; Correlations off-diagonal

Having assessed the measurement model we constructed a structural equation model (SEM) in order to test the hypotheses. We used the maximum likelihood method to evaluate the structural model: five of the six hypotheses turned out to be significant. Figure 2 presents the structural coefficients. The results of the structural model indicate that both hedonic and utilitarian motivations play a part in determining the behavior of members of a company-hosted Facebook community page. We found a strong positive relationship (.60,  $p < .01$ ) between utilitarian motivations and browsing therefore confirming hypothesis H2. There was also a positive relationship between hedonic motivations and browsing (.25,  $p < .01$ ), as hypothesized. The results also supported hypothesis H3, browsing being positively (.29,  $p < .01$ ) related to the intention to purchase. The direct relationship between hedonic and utilitarian motivations and intention to purchase were much weaker (.11,  $p < 0,5$  for utilitarian motivations). Furthermore, the relationship between hedonic motivations and purchase intentions was non-significant. Therefore, the H4 has to be rejected while H5 can be accepted despite the weak relationship. The proposed model demonstrates that utilitarian motivations are related to

intentions to purchase in the near future through browsing activities. The results of the structural model are presented in Figure 2.

Figure 2. Structural coefficients



\*\* = significant at  $p < 0,01$ , \* = significant at  $p < 0,05$

## 5. Discussion

The results of this study offer several interesting insights into consumer behavior on company-hosted Facebook community pages. Utilitarian motivations are very strongly related to browsing behavior while hedonic motivations relate to the actual usage of Facebook pages more weakly. This finding seems to offer further validation of the claim that online communities have strong instrumental value to users (Bateman et al., 2010; Sanchez-Franco and Rondan-Cataluña, 2010). The findings also offer further validation of the theoretical notion that consumption behavior online is shaped by utilitarian and hedonic motivations (e.g. Babin et al., 1994; Childers et al., 2001; Cotte et al., 2006; Hartman et al., 2006). Furthermore, they confirm the importance of distinguishing between these two motivational domains in the context of online brand communities as well as on social media and social networking sites.

Our findings also reflect those of Sanchez-Franco and Rondan-Cataluña (2010) in demonstrating that a travel community's users with higher purchase-involvement were more concerned with its instrumental value than users with low purchase involvement who derived more satisfaction from its hedonic aspects. By definition,

hedonic web usage implies that feelings of enjoyment derive from the experience itself, as opposed to deriving value from accomplishing pre-set goals (Babin et al., 1994; Cotte et al., 2006; Hartman et al., 2006; Holbrook and Hirschman, 1982). Indeed, as suggested in previous research, mere interaction with a community or web environment may be a source of enjoyment for a consumer without further goals to accomplish (Childers et al., 2001; Kozinets, 1999). Those with utilitarian motivations may be more likely to seek value from what they achieve through their use of the community, such as meeting information needs through browsing (Kim et al., 2004).

Interestingly, we could not find strong relationships between usage motivations and purchase intentions, which might indicate that Facebook pages are not used directly for consumption purposes. However, we can see that the usage behavior mediates the motivations, something that can be considered as a sign of the consumer's underlying motivations. Hedonic motivations tend to lead the consumer to undirected internet usage (Hartman et al., 2006) and we believe that it also weakens companies' ability to create lasting marketing effects in those consumers' minds.

## **6. Managerial implications and limitations**

As getting consumers' to browse a company-hosted Facebook page relates positively with purchase intentions, a clear managerial implication is to get people to the page. Therefore, providing useful and relevant information on their Facebook pages might actually be an effective strategy for companies in enhancing purchase intentions. Indeed, it may be that consumers use Facebook pages in much the same way as they use company websites - as sources of relevant information on an area of interest. They may 'berry pick' through the different Facebook pages they 'like', constantly seeking the best offers, the most engaging sites and the most entertaining content.

On the whole, the results contribute to the discussion on the return on investment (ROI) of social media in highlighting the difficulty of explicitly determining the effectiveness of marketing activities within social networking sites. Company-hosted Facebook community pages appear to have the same problem as websites in general - they may have many visitors, but they struggle to convert these visitors into actual buyers. An additional challenge is that in most cases users cannot buy products directly through the company's



Facebook page, which complicates the buying process. Thus, if a web shopping option exists, it should be integrated as far as possible into the Facebook page, at least enabling a smooth and convenient transition to the actual point of purchase.

We acknowledge the limitations of the current study, which relate to both the research method as well as the context. The concept of company-hosted Facebook pages is fairly new, and no validated scales exist for measuring consumer behavior in this context. Thus, we derived the survey questionnaire from measurement scales representing consumer behavior in more traditional online brand communities, and online in general. Perhaps, then, current measurements are not entirely sufficient for capturing the behavioral patterns that are unique to and inherent in the context of company-hosted Facebook community pages. Future research could address this issue through the development of operational measures of consumer behavior in such environments. This would advance the academic objectives to build a solid theoretical understanding of the phenomenon.

Further, we acknowledge the potential limiting effect of the self-completed survey on external validity as well as the possible bias in the results due to the strong representation of the travel agency Facebook page members compared to the other two respondent groups. In the travel industry, online buying and selling have been in place for years, which might affect the readiness of consumers buying a holiday trip to use Facebook as a source for buying related information. In comparison, in the supermarket retail context e-commerce is still rather scarce, which might prevent consumers from using online communities, such as Facebook, as a mean to further their purchase intentions. Future research could differentiate between companies or industries that offer e-commerce opportunities and those who do not to see, whether consumer behavior in regards to purchase intentions differs as well.

## **7. Conclusions**

The findings reported in this research paper give a preliminary understanding of consumer behavior in company-hosted social media environments. We investigated hedonic and utilitarian motivations for using company-hosted Facebook community pages in relation to page-usage behavior, and the effects of different

usage-behavior patterns on intentions to purchase the host-company's products. Despite its limitations, the study offers valuable theoretical and managerial insights. Firstly, it shows the relevance of both hedonic and utilitarian motivations for using company-hosted Facebook pages. Secondly, it successfully examined the links between the usage motivations, behavioral patterns and users' intentions to purchase the host-company's products. Browsing turned out to have a strong positive effect on purchase intentions, indicating that marketers should ensure that high-quality information is to be found on the page. Hence, the quality and amount of user-generated content on community pages, and its effect on consumers' purchasing-related decision-making processes represent an interesting area for future research. Furthermore, the findings support the idea of using Facebook as a sales channel considering the clear presence of purchase intentions. Future research should look into the workings of different sales strategies that could be used to persuade community members to buy from the company.

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