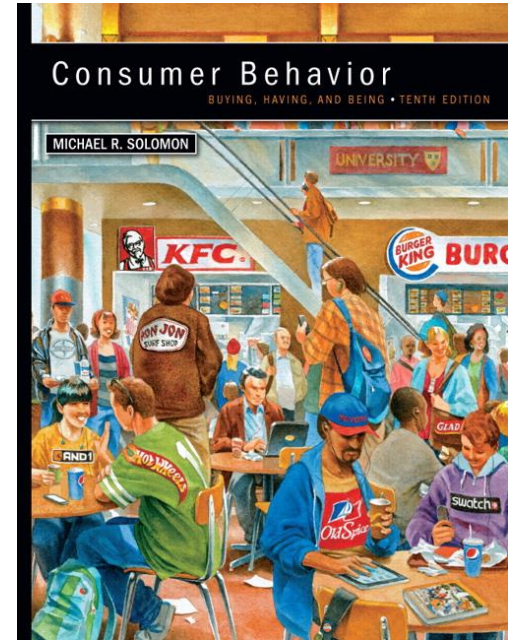# Chapter 11
Groups and Social Media

CONSUMER BEHAVIOR,
11e
Michael R. Solomon

Chapter Objectives

When you finish this chapter, you should understand why:

1. Others, especially those who possess some kind of social power, often influence us.
2. We seek out others who share our interests in products or services.
3. We are motivated to buy or use products in order to be consistent with what other people do.

Chapter Objectives (continued)

4. Certain people are especially likely to influence others' product choices.

5. The things that other consumers tell us about products (good and bad) are often more influential than the advertising we see.

6. Online technologies are accelerating the impact of word-of-mouth communication.

7. Social media are changing the way companies and consumers interact.

Groups

We love being social!

We belong to groups, try to please others, and look to others' behavior for clues about what we should do in public

◦ Our desire to "fit in" -- to identify with desirable individuals is the primary motivation for many consumption behaviors

Social Identity Theory

- Each of us has several "selves" that relate to groups
  - Think of ourselves as "we" vs. "I"

- Favor others that we feel have the same identity

- Go to great lengths to please the members of a group we want to belong

- Why are groups so persuasive?
  - A: because of the potential power they have over us.

Types of Social Power

Referent power
when a person admires a person or group and tries to imitate them. (clothes, cars, leisure activities, music) Marketers use product endorsements by prominent people.

Information power
power from merely possessing valuable information that others do not have access to. This comes from a person's expertise. This is commonly a person with an acclaimed skill or accomplishment.

Legitimate power
power that is granted by social agreement. **(police officers, CEO, teachers, priests)** An ad with a vet wearing a white lab coat ads to the legitimacy

Expert power
power based on possessing specific knowledge about a content area. echnology, insurance, rodents) Signing Steven Hawkin to endorse Modems. Listening to restaurant or book critics, the Oscars

Reward power
when a person or group has the means to provide positive reinforcement Or some type of reward. **(coach, manager, teacher, boss)**

Coercive power
the power to influence a person by social or physical intimidation. Ability to influence someone's decision making by taking something away as punishment or threatening punishment if the person does not follow instructions.

Power of Influence

- Other people and groups, especially those who possess some kind of social power, often influence us.

- Individuals or groups whose opinions or behavior is particularly important to consumers are **reference groups.**
  - Serve as a frame of reference

Reference Group

Reference group influences don't work the same way for all types of products and consumption activities

- ◦ More effective for products/services that are complex
- ◦ Conceived of as having significant relevance upon an individual's evaluations, aspirations, or behavior.
- ◦ Possess some kind of social power.

Desire for them to accept us often drives our purchase decisions

- ◦ Our goal is to be accepted by them
- ◦ Often we have never met or associated directly with them

Source: Ljupco Smokovski/Shutterstock.
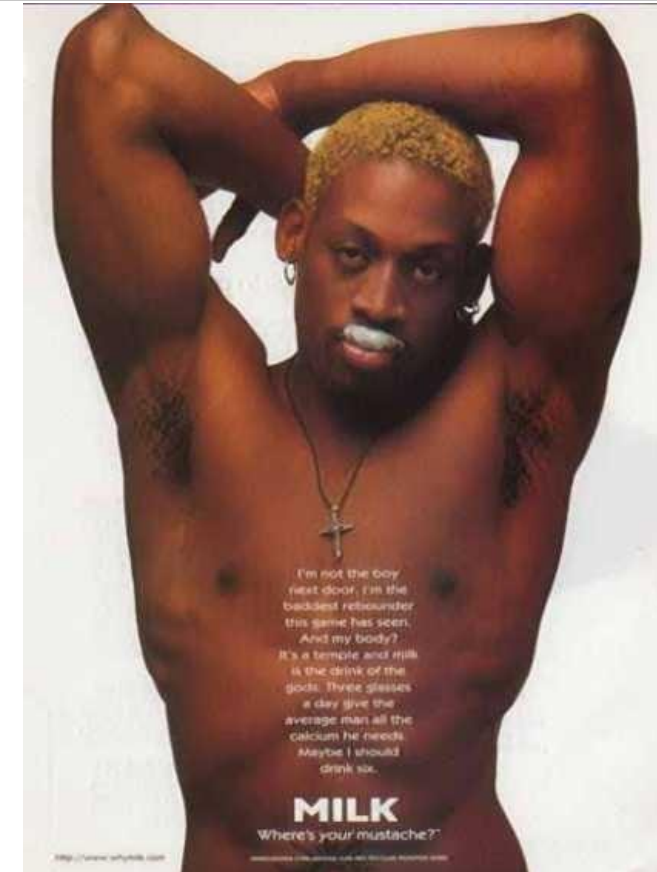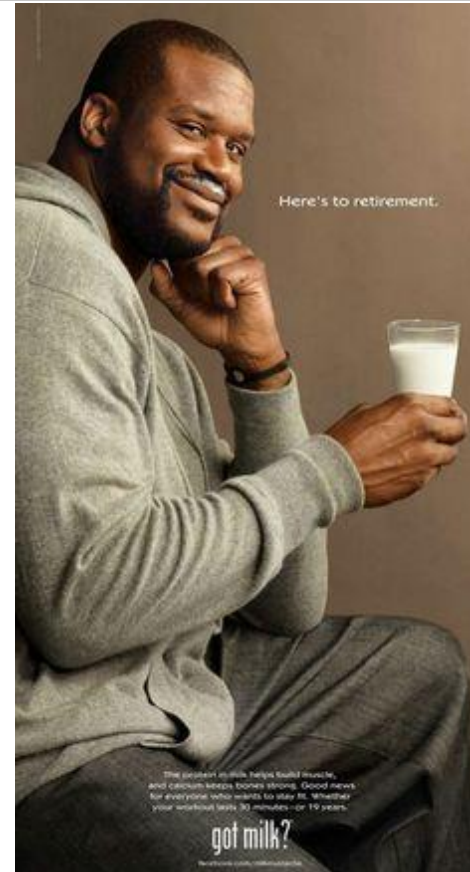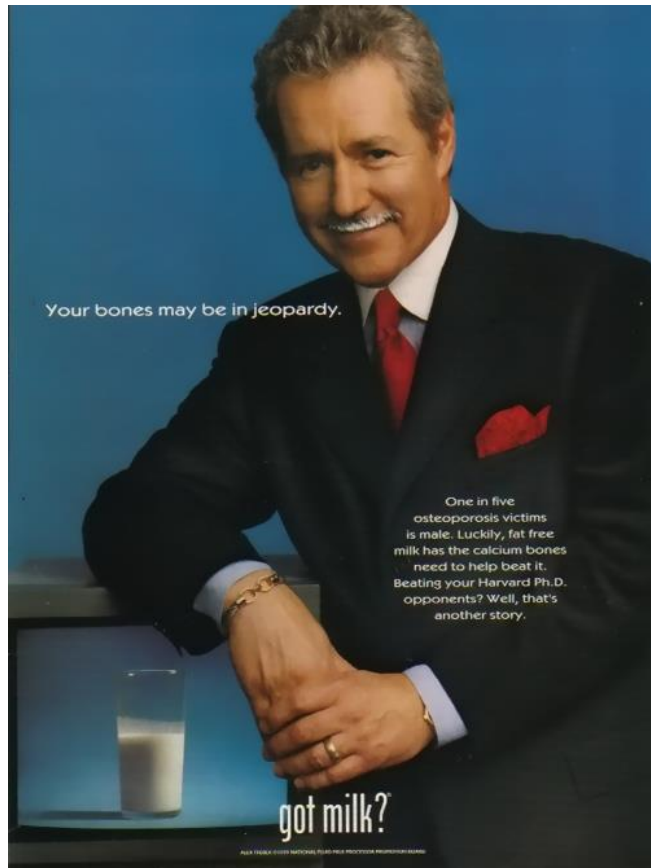
Types of Reference Groups

Membership reference groups
◦ People the consumer actually knows
◦ Advertisers use "ordinary people"

Aspirational reference groups
◦ People the consumer doesn't know but admire
◦ Advertisers use celebrity spokespeople

Aspirational Reference Group

The Power of Reference Groups

Parents are among individuals in a reference group that helps set and enforce fundamental standards of conduct - **normative influence**

◦ Decisions about specific brands or activities (e.g., a club that you belong to) - **comparative influence**

Informational Influence

◦ Provide information on the choices we make.

◦ Useful when a consumer lacks the knowledge of a certain product and the experience of purchasing this item

◦ Marketers use expert power by placing doctors, and fireman in their ads to sell product.

Utilitarian Influence

Choices are influenced by important others in our reference group

Known as '**compliance process**' in which an individual is willing to satisfy a certain group's expectation in order to obtain the praise or to avoid the punishment from the group

◦ Marketers use ads where people are obtaining social approval and acceptance by using a certain brand.

◦ Or, one might be rejected from the group, if they don't use that brand.

Value Expressive Influence

The '**identification process**' in which people are willing to better express themselves to the society by making themselves similar to the group that they want to belong to

- Follow groups' beliefs and rules
- Accept and internalize the value of that reference group
- Whether good or bad

Brand Communities

Brand Communities and Consumer Tribes

Reference groups can be a brand community

- A group of consumers who share a set of social relationships based upon usage or interest in a product
- Don't live near each other

Consumer tribes share emotions, moral beliefs, styles of life, and affiliated product

Brandfests celebrated by community

- Bond with fellow enthusiasts
- MacWorld
- CES (consumer electronic show)
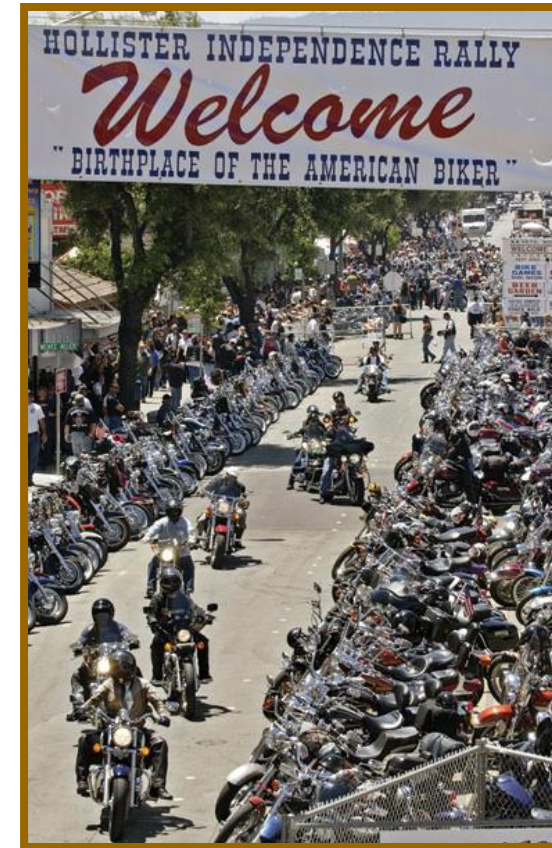
Brand Communities

◦ Exist in virtually any category, you will find passionate brand communities

◦ Members don't live next to each other

◦ Meet for brief periods at organized events or brandfests

Harley Davidson Convention

The Sturgis Rally has gathered the cruiser crowd since 1938. Every summer the cruiser nation congregates for motorcycles, music and mayhem.

Homeschooling

Religion Keeping Only Some at Home (Figure 1)

70 percent of parents who home school their children gave nonreligious reasons for doing so. The most common reason was a concern about the local school environment.

- 9% Other reasons
- 7% Other special needs
- 7% Physical/mental health problem
- 30% Religion/morality
- 17% Instruction quality
- 31% School environment
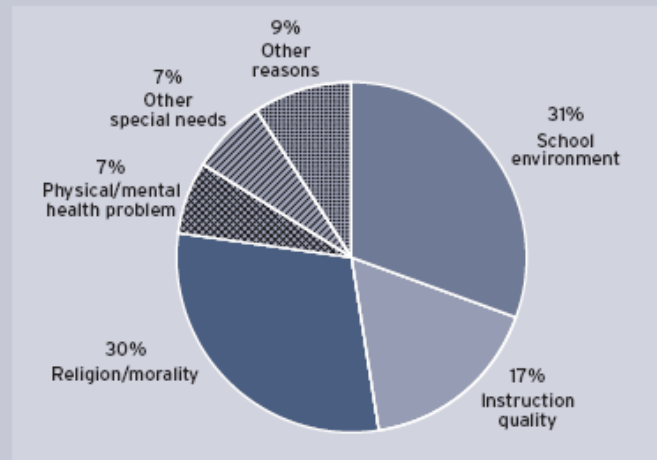
SOURCE: National Household Education Survey Program, *Homeschooling in the United States: 2003*

Homeschool Convention

Factors Predicting Reference Group Membership

Physical distance or nearness between people

Mere exposure
frequency of contact

Group cohesiveness

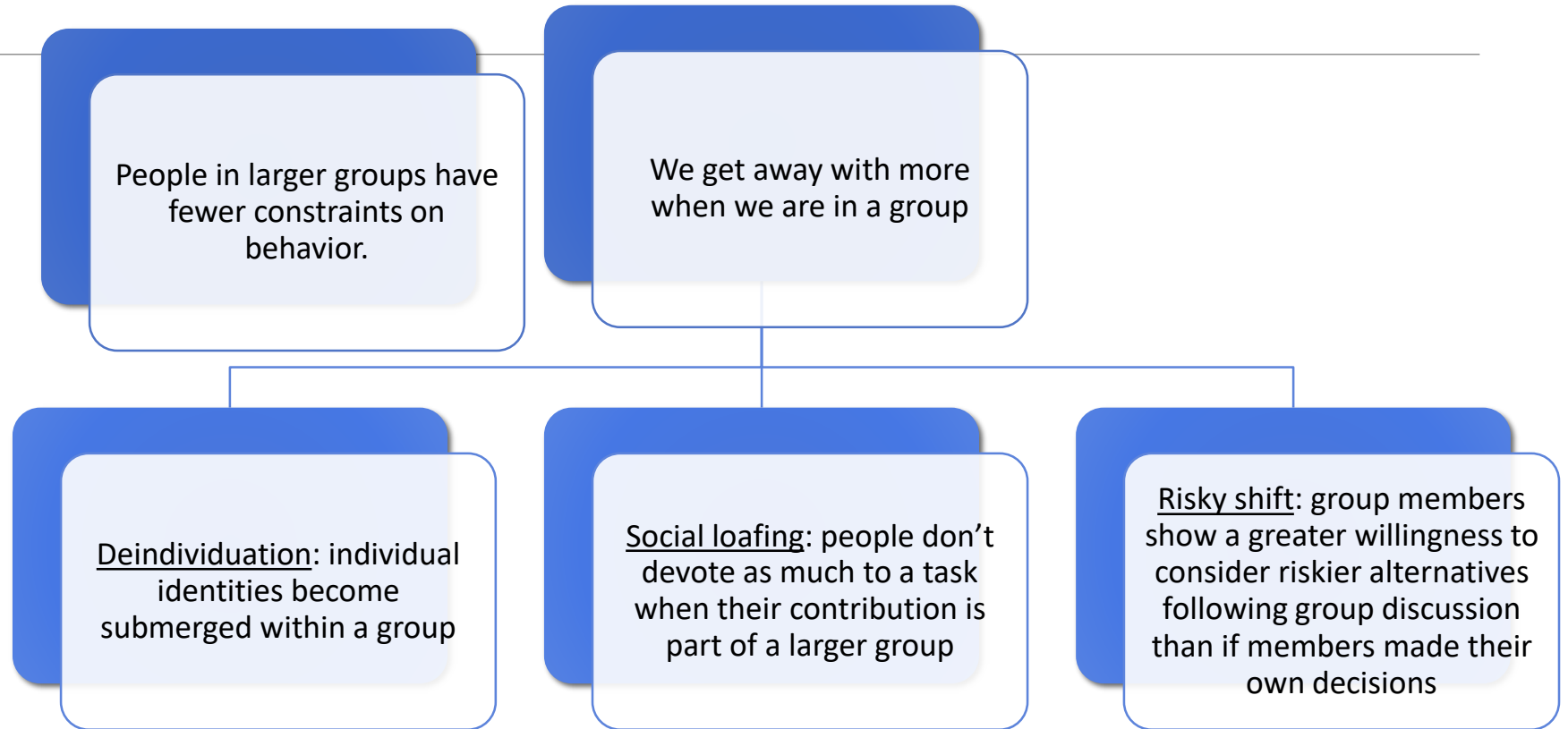# Positive versus Negative Reference Groups

Reference groups exert either a **positive** or a **negative** influence on consumption behaviors.

- **Avoidance groups** are groups from which the consumers wish to distance themselves.

- **Antibrand communities**: rally around a celebrity, store, or brand—but in this case they're united by their disdain for it

- Justin Bieber

- Nike products

- Ivanka Trump brand

Consumers Do It in Groups

People in larger groups have fewer constraints on behavior.

We get away with more when we are in a group

Deindividuation: individual identities become submerged within a group

Social loafing: people don't devote as much to a task when their contribution is part of a larger group

Risky shift: group members show a greater willingness to consider riskier alternatives following group discussion than if members made their own decisions

JUST THE RIGHT AMOUNT *of* WRONG

Conformity is a change in beliefs or actions as a reaction to real or imagined group pressure

◦ We are motivated to buy or use products in order to be consistent with what other people do.

We conform to the desires of others for two basic reasons:

◦ (1) **informational social influence**

◦ People who model their behavior after others because they take others' behavior as evidence of the correct way to act

◦ (2) **normative social influence**

◦ People who conform to satisfy the expectations of other or to be accepted by the group

Factors Influencing Conformity
Why are we more likely to conform sometimes?

Cultural pressures—
- how different cultures encourage conformity to a greater or lesser degree. (squeaky wheel vs. the nail that stands up gets hammered down

Fear of deviance—
- the group applies penalties to "rule violators."

Commitment—the more dedication, the stronger the follower.
- According to the **Principle of Least Interest**, the person who is least committed to stay in a relationship has the most power because that party does not care as much if the other person rejects him.

Group size and **expertise**—the "law of large numbers."
- It is harder to resist demands of many than only a few
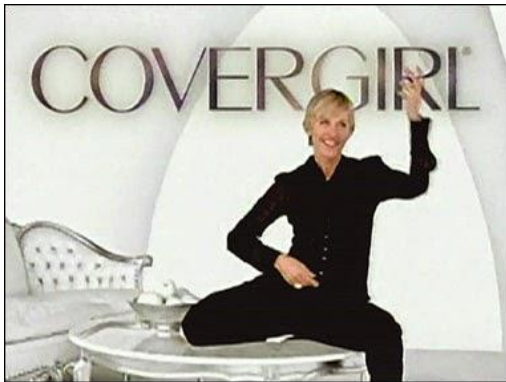
Susceptibility to interpersonal influence—
- the individual's need have others think highly of them and will therefore follow the norm

Opinion Leadership

Opinion leaders are especially likely to influence others' product choices.

◦ Are people who are frequently able to influence others' attitudes or behaviors.

Our beliefs about Opinion Leaders

1. Technically competent

2. Prescreened, evaluated, and synthesized (in an unbiased way) product information.

3. Socially active and interconnected in their community.

4. Similar to the consumer in values and beliefs, a characteristic described by the term homophily.

5. Higher status and educational attainment than those they influence do, but not so high as to be in a different social class.

6. Innovators – first to buy. They often absorb risk because they purchase products first. They are more credible because of their hands-on experience.

The Market Maven – special type of opinion leader

Market maven: actively involved in transmitting marketplace information of all types

Into shopping and aware of what's happening in the marketplace

Overall knowledge of how and where to get products

The Surrogate Consumer

Surrogate consumer: a marketing intermediary hired to provide input into purchase decisions.

◦ Interior decorators, stockbrokers, professional shoppers, college consultants

◦ Consumer relinquishes control over decision-making functions

Marketers should not overlook influence of surrogates!

Skip the dealership.
Learn more at cartelligent.com

Word-of-Mouth Communication

WOM is product information transmitted by individuals to individuals

◦ More reliable form of marketing

- Social pressure to conform

- Influences two-thirds of all sales

- We rely upon WOM in later stages of product adoption

- Powerful when we are unfamiliar with product category

How has Word of Mouth Communication become so powerful?

The things other consumers tell us about products (good and bad) often are more influential than the advertising we see.

The **Web** greatly amplifies our exposure to numerous reference groups.
- **Virtual consumption** communities unite those who share a common bond—enthusiasm about or knowledge of a specific product or service.
- **Emerging marketing strategies** try to leverage the potential of the Web to spread information from consumer to consumer extremely quickly.
- **Viral marketing** techniques enlist individuals to tout products, services, Websites, and so on to others on behalf of companies.
- **Blogging** allows consumers to easily post their thoughts about products for others to see

Word of Mouth Communication

The spread of information about the iPhone

Source: Millward Brown Precis
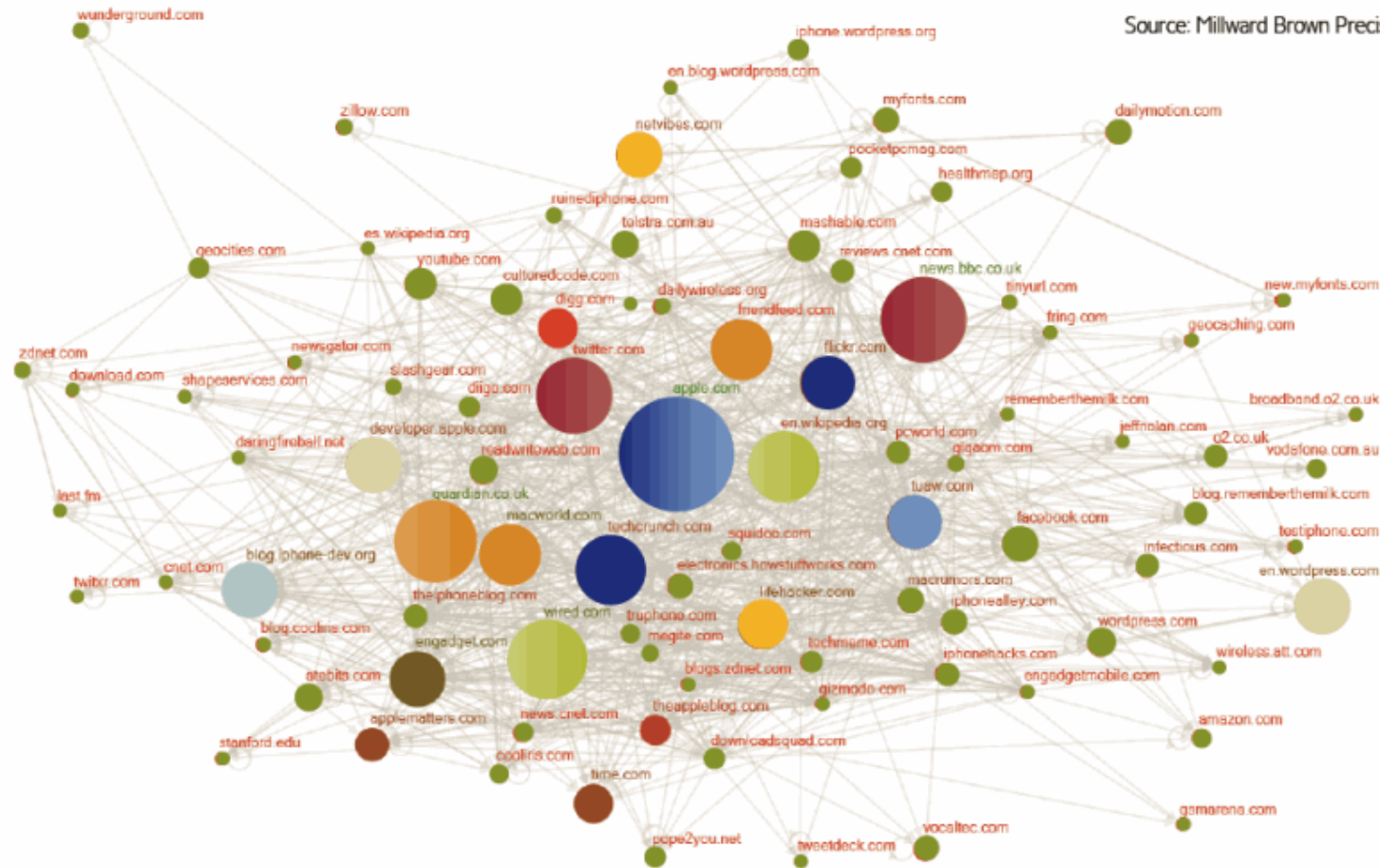
Negative Word of Mouth

Online technologies accelerate the impact of word-of-mouth communication.

Negative word-of-mouth (WOM) is weighted more heavily than positive WOM.

OkayLauren Lauren
Never had a problem with @HotBoxPizza until tonite. Over an hour late, cold and slid over in the box, also wrong crust. Very disappointed.
19 hours ago

in reply to ↑

@HotBoxPizza
HotBoxPizza

@okaylauren Can we make it up to you? Will you shoot an email to nikki@gethotboxpizza.com and let her know which store you ordered from?

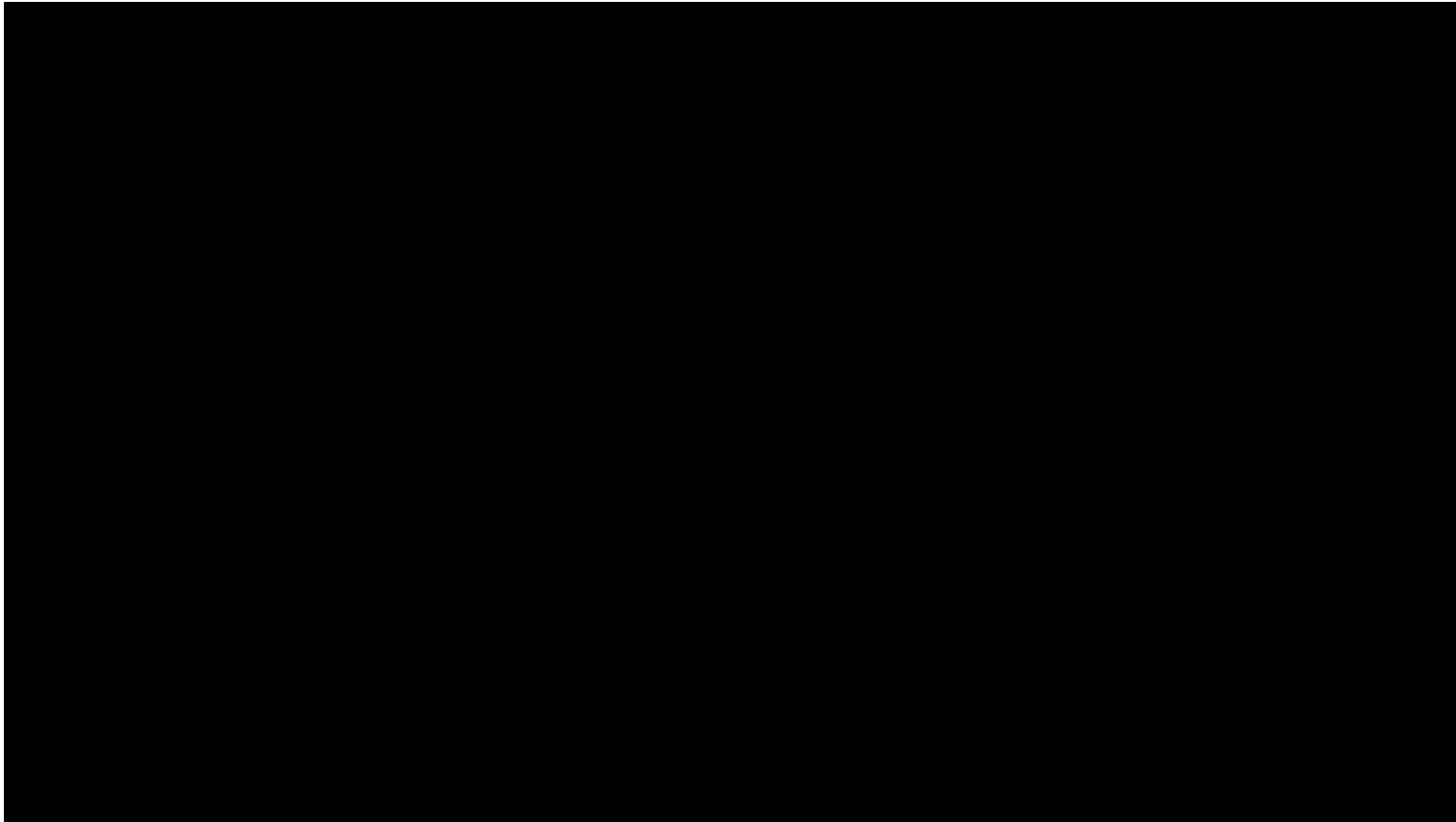# Negative WOM and Power of Rumors

Injustice
consumers talked about the difficulty in contacting the company

Identity
posters characterize the company as evil, not just incompetent

Agency
individuals try to create a sense of collective identity

Chapter Summary

WOM communication about products, especially from opinion leaders, may be more influential than information from marketers.

Web 2.0 accelerates the speed of delivery and the power of WOM communication.