Social Media Marketing:
Psychological Insights, Managerial Implications, and Future Research Directions

Carolyn A. Lin
University of Connecticut, USA

Philipp A. Rauschnabel
University of Michigan-Dearborn, USA

INTRODUCTION

Since the early 2000s, new Internet technologies have significantly influenced multiple aspects of human societies worldwide. Social media technologies are one of the most recent examples of the continuing interactions between people and technologies that are changing societies. Li and Bernoff (2012) use the term "groundswell" to describe a social trend, in which people use social media technologies to get the information they want from other social media users, instead of the typical professional or public sources. This new communication behavior – mostly driven by new digital technologies, new business models, and consumer needs – is associated with a wide variety of implications for marketing communication management.

In this chapter, we address the question of how social media can contribute to the achievement of corporate goals from a marketing perspective. We first provide a brief overview of social media platforms and discuss the most important unique characteristics of these marketing venues relative to other online modalities. Then, we present social media users as audiences who seek and utilize social media platforms to obtain a set of cognitive, affective and behavioral gratifications. Following that, we illustrate social media users as consumers by explaining their consumption behavior via a set of relevant theories, which reflects a typology incorporating social, hedonic and utilitarian perspectives.

SOCIAL MEDIA PLATFORMS

We use the term social media to describe web-based platforms that allow users to:

1. Consume and publish content,
2. Engage in dialogues with other users, and/or
3. Interact with brands and companies – in real time or sequentially, independent from the users' physical location (Hennig-Thurau et al. 2010; Kaplan & Haenlein 2010).

The most important forms of social media platforms are social networks, blogs, opinion platforms, and content sharing platforms. To access these social media platforms, desktop computers, laptops, smartphones and tablets are currently the typical interface technologies. Emerging interface technologies such as Smart Watches are focusing on wearable modalities. Augmented reality technologies, such

as *Google Glass* and Microsoft's *Hololens*, are aimed at integrating, melting, and "bending" physical and digital information into a simulated reality experience (Rauschnabel, Brem & Ivens, 2015). All of these technologies can be utilized to achieve various marketing objectives, including branding, customer service, product testing, relationship marketing and the like.

Rauschnabel and colleagues (2013) argue that social media platforms can be utilized by marketers in a proactive and reactive way. The proactive use of social media describes how companies use social media platforms to achieve corporate goals such as brand building, customer relationship management, sales, employer branding, or public relations. A core topic of proactive social media marketing is enabling consumers as disseminators of the company's marketing message via electronic word of mouth (eWOM) or 'word-of-mouse' (Sun et al 2006). By utilizing social media marketing in a reactive way, organizations can institute social media monitoring, which reflects the collection, analysis, aggregation, interpretation, and storage of brand-related user-generated content. User-generated content can encompass what users post, share or publish on the Internet, including text, data, memes, images, photos, videos, and audio files. Social media monitoring offers organizations quick access to valuable information about users' consumer profiles, brand awareness/interest/ liking/preference and user ability to understand the brand. Table 1 summarizes the functions and activities of major social media platforms.

Social Media Audience Behavior

Researchers have measured the degree to which individuals engage in passive (e. g., reading other users' content) and active (posting one's own content) behaviors when using social media (Hinsch, 2011; Pagani, Hofacker, & Goldsmith, 2011). For instance, Muntinga and colleagues (2011) found three user-behavior

Table 1. Major consumer-driven social media platforms

Platform	Platform Type	Usage Context	Main Activities	Marketing Opportunities (Proactive)	Marketing Opportunities (Reactive)
LinkedIn	Social Network	Professional	Socializing	Networking, Socializing, Recruiting	Applicant Screening
Facebook	Social Network	Private	Socializing, Sharing personal Content	Branding, Customer Relationship Management, Applicant screening	Monitoring, Applicant Screening
WordPress, Tumblr, Twitter	Blog	Private or professional	Content Sharing	Creating corporate blogs	Monitoring of (private) blogs
Glassdoor	Opinion Platform	Professional	Information sharing	Employer branding	Employer brand monitoring
Instagram	Content Sharing Platform	Private	Content Sharing	Storage of brand related pictures	Monitoring
YouTube	Content Sharing Platform	Private	Content Sharing	Storage of brand related videos, branding	Monitoring
Pinterest	Content Sharing Platform	Private	Content Sharing	Storage of brand related pictures	Monitoring
Wikipedia	Content Sharing Platform	Private	Content Sharing	Public Relations	Monitoring
Yelp	Opinion Platform	Private	Content Sharing	Consumer complaint management	Monitoring

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