Chapter 60
Enhance Customer Engagement via Facebook Fanpage for Increased Purchase Intentions: Case of eWallet

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ABSTRACT

In recent times, social media has become a preferred marketing communication platform by the organizations with the consumers exhibiting an increased inclination towards the adaptation of this media. This paradigm shift justifies the positioning of brands in digital media platforms like Facebook, which provide an ideal platform for direct non-stop communication between organisations and customers. This builds a strong association between brands and consumers thereby generating brand trust through the sharing of consumer experiences and a positive word of mouth. Consumers do not make hasty decisions where there is the involvement of money, therefore trust plays a huge role in the usage of the services provided by eWallets. This study aims to investigate the effect of customer engagement through Facebook fan page usage on brand trust and purchase intentions. Results have revealed that consumer engagement through Facebook fan page usage generates trust for the eWallet brand in turn affecting purchase intentions indicating that Facebook fan pages can be utilised as an effective marketing tool.

INTRODUCTION

In the last two decades of digitalization, marketing has evolved both as a discipline as well as practice. The marketers are trying to find new and innovative ways to influence today’s well informed and diverse consumer (Court, 2007) who has many new opportunities to seek information, get connected and create

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user generated content like blogs (Urban, 2005). Therefore, the interaction and exchange of information has changed drastically over the span of recent years (Bush, 2004). The all-pervasive internet technology has become the most important component of the promotion mix (Radulovic, 2011), thus suggesting establishment of new channels for marketing (Bayne, 2002). Among the new promotion tools, social media is emerging as a change agent providing numerous opportunities for the marketers, who are trying to adapt to this new paradigm of communication.

Presently social media is being used by billions of users worldwide and has no doubt become one of the defining technologies of our time. Putting it in perspective, Facebook alone has reported having 2.38 billion monthly active users and 1.56 billion daily active users as of March 31, 2019 (Facebook, 2019). The trends suggest that globally the total number of social media users would grow to 3.29 billion by the year 2022 constituting approximately 42.3 per cent of the world’s population (eMarketer, 2018). Given the fact that a large number of potential users are spending many hours a day on the various social media platforms, it is not surprising that the marketers are embracing social media as a key marketing channel. About 86 per cent of the marketing executives are of the view that social media channels have become important components of their marketing mix (Stelzner, 2013), as they allow the organizations to engage in spontaneous and direct consumer contact at a relatively low cost and higher level of efficiency than those achieved with traditional communication methods (Kaplan and Haenlein, 2019). As a result, Social Media marketing is being used for a variety of marketing objectives, like brand positioning, market research, customer relationship management, and sales promotions. However, Social Media is mostly preferred for branding by most of the marketers (eMarketer, 2013).

Social media platform like Facebook provide excellent tools to engage with customers through ‘Facebook Fan Pages’ (Beukeboom et al., 2015). Facebook fan pages contain information about the brand such as products, services, new launches, events, promotion schemes, website, and contact information. Simultaneously, these fan pages also act as a tool for the users to engage with the company. They have dramatically changed the interaction between consumers and the brands by enabling active informal conversation between them. Users become a member just by liking the fan page and thereafter can ‘like’ the content, share the content or even comment on posts on the fan page. On the other hand fan pages ‘Liked’ by the user can also post updates to the user’s news feed and can also send messages to the users (Facebook.com, 2012).

The Fan pages enable companies to build and sustain a strong online presence and also allow the users to freely access the information regarding the brands. These social interactions, value sharing and affective commitment by the brands in turn infuse customer engagement and continued intentions to buy (Shing-Wan Chang & Shih-Heng Fan, 2017). It is through such constructive engagement and support that the companies cultivate online brand identities, which in turn deliver powerful returns by connecting to a large customer base (Fournier and Lee, 2009). As a result, it is essential to engage customers on the brand page so that they promote the brand by referrals. Chang & Fan (2017) have also suggested that fan page managers’ initiation and involvement in conversations, frequent responses, listening to fans’ opinions and therefore improving their experiential value facilitates them to engage in the brand’s activities at a higher level. This not only builds strong associations for nonstop correspondence but also provides opportunities to advocate and share a positive word of mouth thereby reinforcing purchase and brand trust.

The consumer’s trust in the brand is further reflected as his/her commitment to the brand. The literature points to the fact that trust is an outcome of long-term relationships and repeated interactions (Holmes, 1991; Wang & Emurian, 2005). Thus, the organizations need to be more engaged with their customers through Facebook fan pages and give them an incentive to return to the page and develop trust.
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