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Social interactions for economic value? A marketing perspective

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English summary

This dissertation explores emerging social interactions in relation to economic value, more specifically how social interactions at the organizational and individual levels may affect individual consumers and companies economically as well. To help shed light on this broad theme, it focuses on two recent phenomena in the marketing environment that potentially combine the creation of social value with consumers' and companies' economic interests: business-nonprofit partnerships (chapters two to four), and online social networks (chapter five). The dissertation suggests that, under certain conditions, value created for consumers can be integrated with companies' economic interests as well as with society's interests more broadly.

Chapter two, which follows the introductory first chapter, contains a conceptual study. It outlines potential diffusion mechanisms of business-nonprofit partnerships (which involve collaboration between business and non-profit organizations to serve both social value for society as well as economic value for both types of organizations). First, this study theorizes that so-called "trickle-down", "trickle-up", and "trickle-round" effects can explain how (positive) outcomes of such partnerships are diffused across different levels: macro (i.e., related to society), meso (i.e., to partnering organizations) and micro (i.e., individuals). Second, focusing on the micro level of the company, it conceptualizes how partnership-related perceptions and behaviors may spread among managers, employees and consumers of the corporate partner. With regard to the micro level, this chapter brought forward several propositions. In particular, it suggests that participative and transformational leadership styles, as well as an open communication climate are positively related to organizational members' engagement in partnership-related conversations with their superiors (trickle-up), their peers within and across the partnering organizations (trickle-round), and subordinates (trickle-down). Equally, the conceptual model suggests that theories on social exchange and contagion, social learning and attraction-selection-attrition may explain how partnership-related evaluations and behaviors trickle up, down and round among managers, employees and consumers. In this way, partnerships can have wider benefits, as individuals have multiple roles and effects at the micro level can spread to the meso and macro levels as well.

The micro level of business-nonprofit partnerships introduced in chapter two is further explored in chapters three and four by considering potential effects on employees and most notably, on consumers. Chapters three and four contain empirical studies which investigate the relative importance of consumers' self-interested motivations to support business-nonprofit partnerships from different perspectives. Bridging insights from the marketing and organizational literatures, chapter three theorizes how self-interest can be created equally for all consumers (i.e., through interactions with employees). By paying specific attention to the service-profit chain concept and related psychological mechanisms, this study illustrates how employees' active participation in partnership activities might impact consumers either favorably (i.e., high consumer self-interest), or unfavorably (i.e., low self-interest). Subsequently, drawing on the literature of social value orientation, chapter four views self-interest versus other-interest from the perspective of personality traits and differentiates between prosocials and proselfs for that matter.

Both studies are similar in that they suggest that self-interested motivations will impact consumers' responses towards business-nonprofit partnerships in terms of their evaluative and behavioral responses with regard to the company. Furthermore, it is hypothesized that these effects are moderated by the level of fit between the company and the cause (i.e., company-cause fit). Both studies find that consumers' self-interested motivations, whether they are induced by the company's actions (chapter 3) or inevitably related to a person's personality (chapter 4), only seem to influence consumers' responses in the case of high-fit partnerships, whereas in the case of low fit such motivations do not seem to matter. Combined, the findings of chapters 3 and 4 suggest that congruence or consistency theories may provide a meaningful lens to study consumer responses to business-nonprofit partnerships beyond the context in which these theories have hitherto been applied. Specifically, business-nonprofit partnerships seem to create value for consumers to the extent that their thoughts evoked by information about the partnership and its fit with the partnering cause are in line with their subjective values and other experiences with the company.

Similarly, the findings from chapter 5 suggest that congruence or consistency theories may also provide a meaningful lens to study consumers' willingness to pay for online social network use. This chapter explores the impact of social interactions among individual consumers in an online social network, and relates it to economic outcomes for

the network operator. The aim of this study is to expand our understanding of viable value propositions for the specific context of a niche social network site. Building on previous conceptual models which adopted social capital theory as a value proposition for online communities, this study adds the concept of entitativity to capture the distinctive and narrow scope of a niche. Entitativity describes to what extent a group is perceived as a single, meaningful, coherent entity. The findings of this chapter suggest positive and direct effects of social capital and entitativity on willingness to invest in membership fees. In addition, members' payment intentions also depend on the value (i.e., social versus economic) they derive from the community phenomena social capital and entitativity. However, not all members' intentions to invest in fees seem to be motivated equally by these values. Whereas non-paying members appear to be driven mainly by economic value (e.g., realized financial advantage, finding a job or housing through the online network), upgraded members who already pay subscription fees are motivated to extend their paid membership period rather by social value. Therefore, members' willingness to invest in membership fees seems to depend on whether the realized benefits (i.e., economic versus social value) are consistent with the relationship norms that govern their online interactions (i.e., exchange versus communal relation).

In summary, all studies to some extent seem to reflect the overall struggle and objective to balance and integrate social and economic needs, which applies to organizations as well as consumers. While consumers are willing to engage in social interactions, thereby contributing to social value, either directly (chapter 5), or indirectly by supporting business-nonprofit partnerships (chapters 3, 4), this readiness is accompanied by economic considerations as well (e.g., self-interest, importance of high corporate abilities, economic value). Similarly, at an organizational level, companies increasingly contribute to and facilitate social interactions (e.g., by providing online social networks, or through the collaboration with other actors in society), while they concurrently strive to capitalize on the social value that is created. This points at the need for further research. As a first step in this direction, insights from an online social network context could be applied to business-nonprofit partnerships. For instance, future research on partnerships at the micro-level could empirically investigate whether and to what extent social capital and entitativity are created among individuals (e.g., managers, employees, consumers) who jointly participate in partnership-related activities. Strong group feelings, driven by group members' collective

goals or similarities, might derive benefits for the participating members, and fuel their willingness to invest time, effort or even money to sustain the existence of the group, and hence the partnership initiative. Similar to consumers in an online social network context, employees' motivations to actively contribute to business-nonprofit partnerships may differ according to their level of involvement with the partnership, which seems an interesting topic for future research as well.

This dissertation has not only implications for research but also for practice. The findings suggest that the issues companies should stress in their corporate social responsibility communication depend on what they want to achieve. While priming consumers' self-interest can have a direct and positive impact on a company's bottom line (in terms of buying and switching intentions), effects on the corporate image in terms of trust are contingent upon a high level of fit between the company and the cause. As suggested by chapter four, however, choosing a high fit cause can also have detrimental effects for the company. Considering the pros and cons, companies may be well advised to choose a high-fit cause that effectively addresses both, societal issues *and* a company's strategic objectives. Additionally, companies should ensure that consumers are aware of the company's high corporate abilities, to avoid potential negative effects among proselves. More generally, also with regard to online social networks, companies need to accept that the facilitation of social interactions among broader stakeholder groups may imply that their ability to exercise control might be limited. Companies should acknowledge that consumers seek diverse value propositions and hence ensure that social interactions can contribute to social as well as economic benefits, thereby catering differential needs. In the case of online niche social networks, network providers may be able to capitalize on members' online interactions by focusing on a narrow purpose and a relatively homogeneous member base, which may contribute to the creation of a strong group feeling (i.e., entitativity) among members. In order to serve niche members of social network sites well, network operators are advised to stress economic benefits for non-paying members, while emphasizing social benefits for paying members.

Finally, this thesis calls for a broadened stakeholder perspective with regard to academic research on business-nonprofit partnerships. Similarly, it recommends practitioners to adopt more concerted efforts across organizational departments to successfully manage and diffuse business-nonprofit partnerships within and across

organizations. Such collaborations may not only benefit society and the partnering organizations, but bear important implications for a variety of stakeholders (consumers, employees, managers) as well.