The Choice of Channel for Social Media Advertising by Apparel Firms: The Perspective from Institutional Isomorphism

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Social media advertising is getting more favorable than the traditional advertising because social media connects firms with large number of consumers and advertising is easy to be accessed by consumers on social media as these consumers tend to do primary research by internet when they want to purchase products (Goyal, 2013). According to the company reports by Statista (2018), the U.S. had a total of $26.6 billion is spent on social media advertising in 2018. Facebook and Google are the top two sites in social media advertising, in terms of advertising revenue. Social media advertising has significant influence on purchase decision of apparel products (Statista, 2019). Increasing numbers of apparel firms are aware of the opportunities of reaching out more consumers offered by social media (Nakara, Benmoussa, & Jaouen, 2012).

The selection of a specific social media channel is a problem for the marketers. The variety social media sites have different forms and mechanisms (Goyal, 2013; Taylor, Lewin, & Strutton, 2011), and can be classified as: 1) the full-blown social networking sites (Facebook etc.); 2) blog and micro-blogging; 3) multimedia sharing sites (YouTube etc.); 4) review sites and discussion forums; 5) web search engine (Google, etc.); 6) Social News service (Digg, etc.); and 7) location based sites (Foursquare etc.). There is a need to address the selection mechanisms in firms when multiple social media is available to use. Thus, the purpose of this research is to 1) explore factors influence the choice of channel for social media advertising by apparel firms; and 2) explain the large advertising revenue share by a certain social media channels, such as Facebook and Google. By reviewing the literature, a theoretical framework integrates the factors of evaluation social media website and factors in institutional isomorphism is provided to explain the choice of channel for social media advertising by apparel firms.

To investigate the factors influencing the choice social media advertising channel, the current literature of advertising channel selection and social media evaluation is reviewed. Select a social media channel for advertising needs the consideration of multiple criteria. Draw from the research evaluating website for online advertising (Lin & Hsu, 2003; Ngai, 2003), the factors influence the evaluation of a website are adopted to be used in evaluating the social media sites in this research, including social media quality, audience fit, advertising rates, interface design, advertisement management and delivery, interrelated marketing planning, service level, and scale of operation of social media sites. Thus, the following research propositions (RP) are proposed:

RP1a – RP1h: The social media quality (a), audience fit (b), advertising rates (c), interface design (d), advertisement management and delivery (e), interrelated marketing planning (f), service level (g), scale of operation of social media sites (h) influence the selection of social media advertising channel by apparel firms.
Making a choice can either be a rational choice by evaluating all the alternatives or an irrational choice based on the sense of following the trend. The organizational theory of institutional isomorphism is used to explain the similar choices between different firms. According to DiMaggio and Powell (1983), institutional isomorphism discusses the three isomorphic mechanisms, coercive, mimetic, and normative, lead to the more homogeneous in organizations. Thus, we adopted these three isomorphic mechanisms, coercive, mimetic, and normative, to explain the large market share of certain social media sites, such as Facebook and Google. Coercive pressures steam from both formal and informal pressures. For instance, Federal Trade Commission regulations and pressure from business partners can affect a firm’s social media marketing. Thus, the following research proposition is proposed:

RP2a: Perceived coercive pressures influence the selection of social media advertising channel.

Mimetic isomorphism happens when the firms are not fully understood the available technology, when the goals is not clear, or when the environment is turbulence (DiMaggio & Powell, 1983). Firms mimetic the competitors’ actions when firms perceive these actions lead to the success of competitors. In the content of social media advertising, when the firms are not sure about which social media to use based on their needs, they are expected to follow the leading firms in the same industry. Therefore, the following research proposition are proposed:

RP2b: Perceived mimetic pressures influence the selection of social media advertising channel.

RP3a: Uncertainty moderates the influence of mimetic pressures on the selection of social media advertising channel.

Normative pressures come from “associates with professionalization” (DiMaggio & Powell, 1983, page 150). In the content of social media advertising, advertisers can receive the similar training from the educational institution, professional organization, and even the advertising service providers. Advertisers can also access to the similar information through professional discussion panel. Thus, the professionalization may lead the firms to choose the same social media channel. Therefore, the following research proposition are proposed:

RP2c: Perceived normative pressures influence the selection of social media advertising channel.

RP3b: Uncertainty moderates the influence of normative pressures on the selection of social media advertising channel.

Based on the synthesis of the literature, we propose a model of factors influencing the selection of social media advertising channel by apparel firms (Figure 1) to guide future research in this area. First, this model contributes to the organizational level theories on social media selection. Second, this model uses the website evaluation factors to evaluate the rational choices by firms. Third, from the view of institutional isomorphism, this model explains why firms adopt similar social media channels for advertising. Moreover, this research helps practitioners in apparel industry understand the evaluation of a social media advertising channel, and the large market share of social media advertising of Facebook and Google.
References:


