I heard it through the grapevine! Exploring drivers of participation in virtual communities

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Abstract
As marketers seek ways to use the web to enhance communications, it is important to understand what drives membership in virtual communities. Whilst information exchange is reported as a critical benefit, the simple act of staying in touch with friends may provide stronger motivator for consumers. This exploratory study finds that a propensity to see value in virtual communities is more directly related to a respondent's enjoyment of networking than it is to their liking to share opinions. Therefore, marketers may need to tread lightly in their attempts to construct vibrant communities of advocates based on product oriented communications.

Introduction

The influence of the World Wide Web on marketing activities is difficult to ignore, whilst finding effective applications for the medium presents daily challenges to marketers. As a sales portal, the web has shown its value through a range of successes such as Amazon, eBay and the like, although there are clearly limits in relation to the types of products and services best sold through these types of applications. In addition to providing a quick and easy way to purchase products, the internet also provides the ultimate communication tool for consumers to voice their opinions and related product experiences, allowing for regular and prolific information exchanges without the need to be 'face to face' (Kautz, Selman and Shah, 1997). Therefore, whilst the diffusion of consumer generated information in the past has been slow, the web provides for world-wide information exchange in real time (Gruhl, Guha, Liben-nowell and Tomkins, 2004).

Brand and product oriented 'sub-cultures' have existed for many years across a wide range of brands and product categories, such as Jeep and Harley Davidson owners (McAlexander, Schouten and Koenig, 2002). Hence, the potential value of these types of organisations is well documented, with participants providing rich information regarding product performance, preferences and new product ideas (Fuller, Bartl, Ernst and Muhlbacher, 2006; Meadows-Klue, 2008). Moreover, these consumer groups often constitute strong advocates for the product, voicing their staunch support and disseminating knowledge to potential new users and customers. Again, whilst much of the communication between members of these types of communities in the past was limited by time and geographical distances, the web has eliminated these barriers. Now 'club' and face to face interactions have been replaced with on-line 'virtual communities' (VC's) often comprised of thousands of members from around the world, bound together through a shared interest (Kozinets, 1999). In recent times, virtual groups of wine consumers have also emerged in various forms.

Aside from a shared interest in a brand or product category, consumers also seek and exchange information with each other due to growing scepticism of traditional advertising messages, with word-of-mouth recommendations (even from relative strangers) seen to be more credible and reliable. Hence, brand managers are becoming ever more interested in the power of these groups to influence buyer perceptions even beyond the scope of their own VC's. As a result, investigating what motivates participation in these VC's is a more common subject of current research across a wide range of products (Lin, 2006; Koh, Kim, Butler and Bock**,** 2007). However, investigations related to wine oriented groups has, till now, been very limited. Specifically, prior studies linking wine and the internet have typically tended to focus on reporting descriptive statistics related to online wine buying (Bruwer and Wood, 2005), analyses of success factors related to online wine retailing (Gebauer and Ginsburg, 2003; Childers, Carr, Peck and Carson, 2001), and analysis of web site case studies (Mora, 2006). Hence, this study is more aligned to the recent work by Lin (2006) in exploring consumer attitudes to VC's within a population of wine enthusiasts. Therefore, the purpose of this initial exploratory study was to quantify the relationship between two consumer attributes: 'liking for opinion sharing' and 'value placed on participation in online communities/networking' sites. In doing so, the research adds to the body of knowledge respective to this relatively new area of wine marketing research, with the tested measures employed also providing a useful tool for future studies.

Consumer communications on the web

Consistent with the idea of "brand communities of interest" (Schouten and McAlexander, 1995; Muniz and O'Guinn, 2001), VC's arose from similar investigations within the online domain (Wamalwa, 2007). Brand management over the internet is argued to rest on the pillars of marketing communications: content, interactivity and understanding customers (Simmons, 2009). All of these pillars of 'i-branding' are served, in some measure, by marketers encouraging the growth of VC's. In

particular, Meadows-Klue (2008) speaks of relationship marketing through web 2.0 while others speak of the use of internet groups for research in the area of new product development (Fuller et al., 2006). Practically, these groups might take the form of Boards, Rooms, Dungeons or Lists (Kozinets, 1999) and, more generally, involve some online means for members to interact regarding their special interest. A simple example is the "Wine Beagles" group within Facebook, where members share tasting notes and opinions regarding wines, making recommendations to fellow members and providing other forms of advice. As discussed, brand managers in other product categories have, for some time, understood the value and risk associated with these consumer owned and driven communities. In contrast, little research has been completed regarding the type, veracity and extent of product oriented information exchanged in the case of virtual wine communities, in spite of the potential power (both positive and negative) of the extensive amounts of user generated information exchanged via these mediums.

Hypotheses

We define three constructs of interest. *Perceived value of VCs* as the degree to which a respondent considers online communities to be worthwhile, a good source of information and also provides the chance to express themselves (Lin, 2006). *Liking to shares opinions* is defined as the degree to which the respondent enjoys being a part of a shared interest group and feels their opinion is valued by others. This is captured by items such as "my opinion is valued amongst my peers". Finally, *Liking to network* is defined as how much an individual enjoys staying in contact with friends and simply enjoys social networking.

Ridings and Gefen (2004) found that a key motivator for joining a virtual community was to obtain and share information, as described by Furlong (1989). Therefore:

H1: Liking to share opinions has a positive and significant relationship to perceived value of virtual communities

The literature indicates that opinion leaders tend to be well connected (Feick and Price, 1987) and, in particular, hold a value of "public individuation" (Chan and Misra, 1990) which implies:

H2: Liking to share opinions has a positive and significant relationship to liking to Network

Finally McAlexander, Schouten, and Koenig (2002) found that "Integration of Brand Community" was related to a sense of closeness to their friends. Nie (2001) has also argued that internet users display a high degree of social connectivity and participation. Therefore:

H3: Liking to network has a positive and significant relationship to perceived value of virtual communities.

Methodology

A total of 258 usable questionnaires were completed by a random sample of attendees at a wine festival in the Adelaide Hills of South Australia. All those completing the survey were over the age of 18 years and offered the opportunity to win (by lottery) a case of premium Adelaide Hills wines. Table 1 gives a description of the sample.

Table 1: Respondents descriptive variables (n=258)

Gender	n	Age Bracket	n	Highest Education	n	HH Income	n
Male	125	18-24	18	School leaver's certificate	28	< $25,000	13
Female	132	25-28	24	HSC	16	$25,001 to $50,000	30
		29-34	31	TAFE certificate/diploma	63	$50,001 to $75,000	52
		35-40	41	Bachelor's degree	80	$75,001 to $100,000	45
		41-45	35	Graduate/postgrad diploma	29	$100,001 to $150,000	48
		46-54	58	Masters degree	27	$150,001 to $200,000	31
		55-65	43	Masters degree	6	> $200,000	24
		66+	8	Other	7	refused	1

The three constructs were measured with multiple items on a 9-point Likert type scale, where respondents indicated their degree of agreement or disagreement with each statement. Many of the items were extracted from the relevant literature and included statements such as *"Participation in online communities (Facebook etc) is worthwhile"* to measure perceived value of virtual communities (Lin, 2006).

Results

Analysis showed the Cronbach Alpha values for all constructs met the minimum level of 0.7 (Nunally and Bernstein, 1994), indicating a high level of scale reliability. In addition, all composite reliability (ρ_η) and variance extracted ($\rho_{vc(\eta)}$) scores satisfied the recommended values of 0.7 and 0.5, respectively (Fornell and Larcker, 1981). The results of these tests can be seen in Table 2.

Table 2: Construct reliability and validity

Construct	*α*	*ρ_η*	*ρ_vc(η)*
Likes to Share Opinions	0.70	0.67	0.51
Likes to Network	0.70	0.72	0.56
Perceived Values of VC's	0.91	0.91	0.78

Before we discuss the more comprehensive relationship shown in figure 1, it is important to note that when tested independently, a "*liking to share opinions*" showed a very weak correlation with "*perceived value in VC's*"; a significant coefficient of 0.24 (p < 0.05) and an accounted variance of 6%. This suggests that a liking to belong to virtual communities is not directly related to seeking to gather, or share information. Rather it suggests there is likely to be something mediating the relationship. We take this as weak support for H1.

Figure 1 shows the hypothesised relationships between the consumer attributes of '*liking to share opinions*' and '*liking to network*" on "*perceived value of VC's*". The model meets all goodness-of-fit requirements (GFI = 0.981, AGFI = 0.953, CFI = 0.993, TLI = 0.986, RMSEA = 0.047, and SRMR = 0.036). The χ^2 is non-significant (χ^2 = 17.254, df = 11, p = 0.101), indicating a good fit between the model and the data collected (Byrne, 2001; Hair *et al.*, 2006)

Figure 1: Conceptual Model
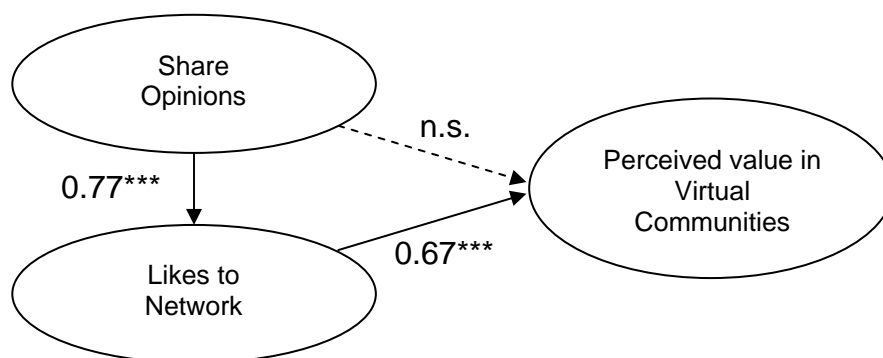
With the introduction of "*liking to network*" as the potential mediator, the direct relationship between "*liking to share opinions*" and "*perceived value in VC's*" becomes non-significant (with a negative coefficient of -0.27, p > 0.10). Nevertheless, there is a positive and significant relationship between '*liking to share opinions*' and '*liking to network*' (coefficient of 0.77, t = 6.681, p <0.001), supporting H2. Further, H3 is also supported with a coefficient of 0.67, t = 3.554, p < 0.001), indicating a positive and significant relationship between "*liking to network*" and "*perceived value in VC's*". Collectively, "*liking to share opinions*' and "*liking to network*" explain 24% of the variance in "*perceived value in VC's*". Based on the results of the path analysis, it can be concluded that "*liking to network*" successfully acts as a mediator between "*liking to network*" and "*perceived value in VC's*".

Discussion

Sharing opinions is related to a perceived value of virtual communities, but really only when coupled with a respondent's liking for networking – staying in touch with friends and meeting new people. This suggests that consumers may not make the cognitive link between their interest in sharing their opinions about wine (and gathering those of others) and such internet based information exchanges. Hence, for wine marketers who endeavour to use virtual communities as a means to encourage

support for their products, it is important to note that the consumers do not necessarily see VC's as a direct vehicle for gaining product knowledge. Having a means to chat with friends (and make new ones) is seen as the more important function of a VC for consumers, with sharing of opinions related, but perceived as secondary. This is an important distinction that wine marketers and brand managers need to understand. Whilst experienced and inexperienced wine consumers alike value recommendations from fellow enthusiasts when making purchase decisions, they may not see a VC as a source of such information. Hence the first objective should be to encourage interest and participation by satisfying the networking urge of consumers through socially based exchanges and interplay (such as virtual tastings or quizzes testing wine knowledge etc), with the understanding that opinion sharing is distinct, but strongly related to this networking function.

When the networking need is met, however, the product/brand related information received by individuals via a VC is likely to be more credible because it will not be perceived as a direct selling strategy. This brand owner 'detachment' has been argued as one of the strengths of product placement (Newell, Salmon and Chang, 2006; Yang and Roskos-Ewoldsen, 2007) while co-ownership of the message is an acknowledged strength of word-of-mouth advertising (Bayus, 1985). There are already indications that information search in VC's is beginning to replace – or at least supplement – off line forms of marketing communications (Jepsen, 2006) but managing this process is unlikely to be as simple as setting up a brand based discussion board. This concept deserves further future investigation, along with suggestions for future research discussed in the next section.

Limitations and Directions for Future Research

These results are limited for a number of reasons. Firstly, the sample was collected at a single event where those present may not be representative of the general population. Also, the measures employed for the variables tested, whilst meeting or exceeding established thresholds for reliability and validity, require further testing in future applications relating to different population groups. The large percentage of variance unexplained in the dependent variable clearly shows that other elements/conditions contributing to the perceived value of virtual communities that were not tested. But, this limitation also provides a basis for future research.

Given that many VC's are interest or brand/product based, as well as a 'liking to share opinions' and a 'liking for networking' it is intuitive to suggest that consumer attributes such as 'product knowledge', 'product involvement' and 'brand loyalty' are also likely to contribute to the value placed on VC's. It is proposed that a subsequent study will incorporate these other variables in an endeavour to discover other major contributors to likely participation in wine oriented virtual communities. Further applications will also provide opportunities to further test the new measures developed in this exploratory study and to further investigate cognitive linkages (or lack of) between opinion sharing and information sharing activities undertaken in wine based VC's.

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