

Role of Social Capital on Consumer Attitudes, Peer Influence and Behavioral Intentions: A Social Media Perspective

Qazi Mohammed Ahmed, Osman Sadiq Paracha, Iftikhar Hussain

Abstract—The study aims to explore the unaddressed relationship between social capital and consumers' underlying behavioral intentions. The study postulates that this association is mediated by the role of attitudes and peer influence. The research attains evidence from a usable sample of 673 responses. The majority consists of the young and energetic social media users of Pakistan that utilize virtual communities as a way of life. A variance based structural equation modeling has been applied through SmartPLS 3. The results reveal that social capital exerts a statistically supportive association with both attitudes and peer influence. Contrastingly, this predictor variable shows an insignificant linkage with behavioral intentions but this relationship is fully mediated by consumer attitudes and peer influence. The paper enhances marketing literature with respect to an unexplored society of Pakistan. It also provides a lens for the contemporary advertisers, in terms of supporting their social media campaigns with affiliative and cohesive elements. The study also identifies a series of predictor variables that could further be tested with attitudes, subjective norms and behavioral responses.

Keywords—Behavioral intentions, consumer attitudes, peer influence, social capital.

I. INTRODUCTION

SOCIAL MEDIA has now reshaped as a dynamic platform of numerous marketing opportunities [1]. Advertising on social networks has emerged as the driving tool for raising advertising effectiveness. In the same manner, consumer attitudes and behaviors have rapidly shown inclination towards online communities where they are able to exert more empowerment [2]. Although numerous studies are extending the scholarly work on social media, the marketing aspects remain in an iterative process [3]. Recently, [4] suggested that futuristic studies need to deeply explore the connection between attitudes and behaviors from a social media advertising (SMA) perspective. Further, there is also a dire need of a comprehensive contextualization for scholarly works on developing nations [5]. The study aims to fill these gaps by examining an unaddressed social media motivation, known as social capital [6], [7]. The major objective of the paper is to investigate its impact on consumers' attitudes towards social media advertising (CATSMA), peer influence and behavioral

intentions. It also addresses the unconsidered mediating roles of CATSMA and peer influence between social capital and behavioral intentions. Finally, the present research also extends advertising literature from a Pakistani perspective, which is already an under-researched economy.

II. THEORETICAL BACKGROUND

From a media perspective, motivations have been considered as the essential drivers in influencing a person's selection of media content [8]. Reference [9] postulated that motivations play a significant role in effecting one's attitudes and behaviors on social networks. Although motivations of information, entertainment and credibility have consistently been analyzed [10], [11], social capital remains an unaddressed [7]. This motivational construct defines the development of connections within people and the benefits attained through social networks [12]. Social media shatters the boundaries of face-to-face connections and eventually leads to the accumulation of social capital on virtual brand communities [6].

The element of social integration has been observed to have a significant impact on general advertising attitudes [13], television advertising attitudes [14] and even sports advertising [15]. Recently, [7] showed that the construct of social capital was a driving tool in enhancing consumer attitudes towards electronic word of mouth (eWOM). The present study utilizes this construct in examining its association with CATSMA from an under researched context of Pakistan. The first hypothesis is proposed as; H1(a): Social capital exerts a significant positive impact on CATSMA.

Historically, [16] found out that an individual's set of normative beliefs formulate his subjective norms. Similarly, [17] was of the view that the role of social gratifications is highly pertinent in creating social influence among individuals. From a social media context, [18] observed that the construct of affiliation significantly impacted the peer influence of an online user. Further, [19] showed similar findings in terms of the positive association between herd behavior and subjective norms. Based on the scholarly literature, the present work evaluates the linkage between social capital and peer influence. The next hypothesis is proposed as; H1(b): Social capital exerts a significant positive impact on peer influence.

The role of social capital has not only been observed to impact consumer attitudes but also their underlying behaviors on digital marketing channels [20]. This research was further

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extended to investigate its impact in accelerating engagement behaviors on social media. These responses were represented through the emerging roles of eWOM channels [7]. Hence, the research would examine the relationship of social capital and behavioral intentions from a social media context of Pakistan. The subsequent hypothesis is proposed as; H1(c): Social capital portrays a statistically significant association with behavioral intentions.

An individual's attitude towards an ad is a basic reflector of his behavioral responses [21]. Enhanced buying interests are developed due to positive attitudes towards an advertised product or service [22]. In this regard, [23] observed a positive association between attitudes and intentions to purchase and engage in eWOM on social networks. This relationship has also been seconded by the contemporary studies of [4], [24]; in terms of measuring the effectiveness of SMA. Building on to these arguments, the study hypothesizes that; H2: Consumers' attitudes towards social media advertising (CATSMA) exert a significant association with behavioral intentions. In the same manner, [25] observed that social influence also displayed a positive association with a user's intention to join brand pages. Likewise, [19] also seconded this linkage by identifying a significant connection between subjective norms and empathy intentions on social media. Hence, the third hypothesis is proposed as; H3: Peer influence has a supportive association with behavioral intentions.

In terms of mediating effects, consumer attitudes have been referred to as a vital mediator of beliefs and online behavioral responses [26]. Its mediating effects have also been recognized by [27] in the context of SMA. Contrastingly, prominent studies [28], [29] have critically examined the role of peer influence in catalyzing social media behavior but its mediating effects remain unaddressed. The present work extends the marketing literature and analyzes the mediating impact of peer influence between social capital and behavioral intentions. Hence, the last two hypotheses are proposed as; H4: Consumers' attitudes towards social media advertising (CATSMA) mediates the relationship between social capital and behavioral intentions; and H5: Peer influence mediates the relationship between social capital and behavioral intentions. Based on the conceptual development, the paper presents its research framework with four control variables (see Fig. 1); regulating the demographic characteristics of the selected sample [30].

III. METHODOLOGY

For data collection, a structured questionnaire (7-point Likert Scale) was formulated [33] and floated in the prominent universities and shopping malls of Rawalpindi and Islamabad. A convenience sampling technique was deemed appropriate for data collection. Being a non-probability technique, the sample was selected on ease of accessibility [31]. Utilizing Google Docs, a total of 720 questionnaires were floated and a set of 673 usable responses were finalized. The scales of the proposed constructs were adopted from previous literature. The items for social capital were attained from the work of [6]. In the same manner, scales for CATSMA and peer

influence were adopted from the study of [29]. The last scale for behavioral intentions originated from the scholarly contributions of [23]. Finally, a component based structural equation modeling (SEM) through SmartPLS 3 [32] was deployed for data analysis.

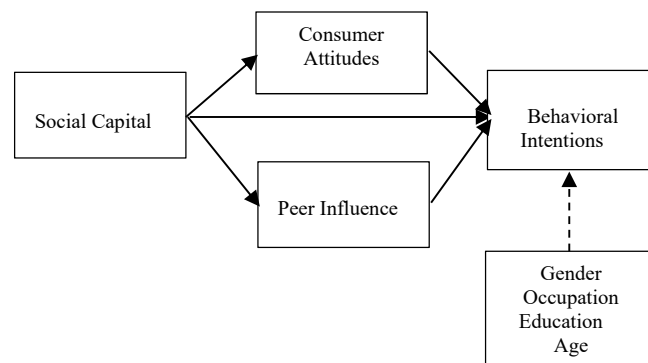


Fig. 1 Research Framework

IV. RESULTS

Table I shows the demographic characteristics of the participants. They have been categorized in terms of gender, age, education and occupation. Out of a total sample of 673, males had a majority with a representation of 61% while females belonged to 39% of the sampling frame. While looking at the ages, the chunk comprised of the young audience that utilized social media channels heavily. Around 90% belonged to the ages ranging from 19 to 32 years while there was a less than 10% representation of the mature segment ranging from 33 years and above. In the same manner, around 55% were postgraduate students and 46% were graduate students. In terms of occupation, student segment had a major representation of 48% while 36% were salaried workers. Only 10% were self-employed through their business ventures.

TABLE I
DESCRIPTIVE STATISTICS

Attribute	Category	Frequency	Percentage
Gender	Male	412	61.2
	Female	261	38.8
Age	19-25	404	60.0
	26-32	205	30.5
	33-39	34	5.1
	40-46	15	2.2
	46 and above	15	2.0
Education	Undergraduate	306	45.5
	Postgraduate	367	54.5
Occupation	N/A	36	5.3
	Student	325	48.3
	Salaried Person	243	36.1
	Self-employed	69	10.3

The measurement model examines the convergent and discriminant validity of the proposed model. The convergent validity is reflected in terms of the Cronbach's alpha, composite reliability (CR) and average variance extracted

(AVE). Based on Table II, the Cronbach's alpha and CR are above the benchmark of 0.7 and AVE is ideally above 0.5. This is hence representative of a good convergent validity [34]. For assessing discriminant validity (see Table III), the square root of the AVE was higher than their respective correlation coefficients. This also portrayed acceptable discrimination among the study's constructs [34].

TABLE II
CONVERGENT VALIDITY

Constructs	Cronbach's alpha	Composite Reliability	AVE
Behavioral Int	0.912	0.932	0.696
CATSMA	0.892	0.917	0.649
Peer Influence	0.849	0.894	0.629
Social Capital	0.871	0.907	0.661

TABLE III
DISCRIMINANT VALIDITY

Constructs	Behavioral Intentions	CATSMA	Peer Influence	Social Capital
Behavioral Intentions	0.834			
CATSMA	0.690	0.806		
Peer Influence	0.729	0.645	0.793	
Social Capital	0.546	0.556	0.621	0.813

The structural model reflects the basic significance of the proposed relationships through direct and indirect effects. Table IV shows the significance of the path coefficients, where the t-values need to be greater than 1.96 and p-values to be less than the 0.05 level. The table depicts that social capital shows a significant association with CATSMA and peer influence; supporting the hypotheses H1(a) and H1(b). Contrastingly, social capital portrays an insignificant linkage with behavioral intentions; rejecting the hypothesis H1(c). Further, CATSMA and peer influence both depict a statistically supportive relationship with behavioral intentions, supporting the hypotheses H2 and H3.

TABLE IV
DIRECT EFFECTS

Hypotheses	Path Coefficients	T-Stats	P-Values
H1(a): Social Capital → CATSMA	0.556	17.286	0.000
H1(b): Social Capital → Peer Influence	0.621	21.384	0.000
H1(c): Social Capital → Behavioral Intention	0.068	1.705	0.089
H2: CATSMA → Behavioral Intention	0.358	9.663	0.000
H3: Peer Influence → Behavioral Int	0.456	10.887	0.000

The specific indirect effects need to be evaluated (see Table V), for validating the presence of any mediation among the constructs. Both hypotheses H4 and H5 provide a significant mediation of CATSMA and peer influence between social capital and behavioral intentions. This is represented through the significance of t-values, justifying the presence of indirect effects. For further verifying the partial or full mediation, the direct effects also need to be observed [34]. The relationship between social capital and behavioral intentions is already

insignificant, which attests that both CATSMA and peer influence fully mediate their linkage.

TABLE V
SPECIFIC INDIRECT EFFECTS

Hypotheses	Path Coefficient	T-Stat	P-Value
H4: Social Capital → CATSMA → Behavioral Intention	0.199	8.143	0.000
H5: Social Capital → Peer Influence → Behavioral Intention	0.283	9.803	0.000

V. CONCLUSION

Overall, the findings of the study provide valuable contributions in the field of marketing. The untapped linkage of social capital with consumer attitudes reflects that cultural affiliations play a vital role in strengthening an individual's evaluative criteria. The research moves beyond the traditional factors of infotainment and credibility that have already been addressed [11], [35]. In the same manner, the research also portrays a significant relationship of social capital with peer influence. Earlier, a similar linkage of affiliation and subjective norms was tested by [25] in the context of SMA. This further indicates that societal connections are nourished through the role of peer influence within the collectivist society of Pakistan.

With reference to attitudes, the positive relationship of CATSMA and behavioral intentions highlights the role of evaluative factors in strengthening social media responses. These behaviors may be represented through consumer engagement in the form of purchases or digital foot prints on various social networking channels [2]. Likewise, the impact of peer influence on intentions also highlights that social media behavior is strongly guided by the factor of subjective norms in Pakistan. The impact of social capital on intentions remains insignificant, indicating a series of unaddressed causal factors. In this context, the full mediation effects of CATSMA and peer influence support the association between social capital and behavioral intentions. This leads towards one of the major contributions of the study, showing that communal affiliations would not solely be effective in raising engagement behaviors. Hence, the formulation of desirable attitudes and peer influence are pivotal in making this connection significant.

Both the scholars and practitioners could attain interesting guidelines from the proposed conceptual framework. The research work extends advertising literature in a transitional economy of Pakistan. Besides social capital, the scholarly workforce could also examine additional factors of experiential learning [36] and trust [4] in examining consumer attitudes on social media. The marketing professionals could also revolutionize their social media campaigns by adequately addressing the factors of social cohesiveness and belongingness. This would assist them with desirable intentions to convert a potential customer into a paying customer. Finally, the futuristic works could focus on longitudinal studies and they could validate the model in other contexts to attain cross-country comparisons.

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