Consumer Disclosures On Social Media Platforms:
A Global Investigation

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Consumer Disclosures on Social Media Platforms: A Global Investigation

Wat delen consumenten over zichzelf op sociale mediaplatforms?
Een wereldwijd onderzoek

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Chapter 1

Introduction

Through user generated content (UGC)\(^1\) on social media platforms (SMPs) consumers disclose highly detailed data about their preferences and needs. UGC can be used to help marketers serve consumers’ needs, thus improving consumers’ well-being (Tirunillai & Tellis, 2014). However, there have been cases of data misuse as well (Martin, Abhishek & Palmatier, 2017). UGC also informs consumers about the personal lives, professional achievements and consumption of their peers. Such information might be helpful for consumers. For instance, it can help them make better consumption choices (Gummerus et al., 2017). At the same time, such information can be discouraging, demotivating and even depressing if consumers engage in negative social comparison with others on social media (Fardouly & Vartanian, 2015).

The goal of this dissertation is to help marketers and consumers use UGC on SMPs in a way that enhances consumers’ well-being. In order to achieve this goal, two issues need to be taken into account. First, if marketers and consumers want to draw correct inferences from UGC, they should know to what extent the information disclosed on SMPs is accurate and truthful (Anderson & Simester, 2014). Second, it should be clearly defined what information consumers want to share, and do not want to share with marketers (Martin, Abhishek & Palmatier, 2017). These two issues – truthfulness of social media disclosures and consumers’ attitudes to the use of their data from SMPs for marketing purposes – are the focus of this dissertation.

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\(^1\) Note that we only include information that users explicitly share on SMPs, rather than clickstream data or web browsing data outside the SMP.
The first issue – reliability of online consumer disclosures – has been gaining momentum in the marketing literature in the last decade (Anderson & Simester, 2014; De Langhe et al., 2015; Schweidel & Moe, 2014). Deceptive disclosures not only misinform marketers, but also provide an unrealistically positive baseline for consumers about their peers’ success, establishing a fake reference point and potentially even threatening consumers’ health (Smith et al., 2013). Thus, knowing the extent to which user generated content on social media is deceptive is of paramount importance for consumers’ well-being. However, to our best knowledge, there are no systematic attempts to estimate the truthfulness of user generated content on SMPs globally.

Absence of such attempts could be explained in part by the lack of methodologies to assess truthfulness on a global scale, and also by cost of data collection that such an attempt would require. Until now, large-scale assessments of the truthfulness of consumers’ disclosures on social media have been infeasible. One approach, often taken in scholarship and practice, is to accept that the data from social media contain some degree of error. This approach has been taken by many scholars. As long as the biases are relatively small, or not systematically related to consumer traits or behaviors, valuable insights can then still be obtained (e.g., Culotta & Cutler, 2016; Liu, Singh, & Srinivasan, 2016; Ma et al., 2015; Nam & Kannan, 2014). However, if the size of the bias is not quantified, studies may not find effects or find counter-intuitive effects (Muchnik et al., 2013; Schweidel & Moe, 2014). We propose a method to quantify the prevalence of deceptive disclosures on SMPs.

The second issue – which disclosures on SMPs by consumers can be used by firms, and which cannot – has been a subject of intense discussion. In fact, this discussion led to many countries establishing policies aimed specifically at protecting consumers’ online data and meeting consumers’ expectations regarding their online privacy (e.g., General
Data Protection Regulations (GDPR) implemented all over the European Union in 2018). The role of data privacy in marketing is certainly complex and multidimensional (Martin & Murphy, 2017, for a recent review). It is the complexity of the privacy discussion that has made it difficult to derive simple guidelines about consumers’ preferences.

Researchers have studied the public opinion on specific ways of data monetization, such as targeted advertisement (for instance, Turow et al., 2015), and solutions have been proposed to mitigate consumers’ reluctance to share their data on SMPs (for instance, Tucker, 2014). However, it is still unclear what consumers prefer on SMPs. Some consumers are in favor of keeping SMPs free for all users, allowing SMPs to use consumers’ data in exchange for their services. Others might find a “paying with data” business model unfair, and would prefer to pay with monetary fee instead (Anderl, März, & Schumann, 2016; Schumann, von Wangenheim, & Groene, 2014; Schwartz, 2004). Until now, it has been difficult to articulate which types of SMP disclosures consumers would rather not share with the marketers and which segments of consumers would be willing to pay for not having their social media data shared with firms. This dissertation aims to answer this question in a generalizable manner.

Since this dissertation aims to provide generalizable insights into consumers’ disclosures on SMPs, it mandates a large-scale international study (Brown et al., 2005). For this reason, primary data for this dissertation were collected across 25 countries and more than 14,000 respondents. The insights in this dissertation do not implicitly assume cross-cultural generalizability, as many studies based on a single country do. Instead, this dissertation explicitly considers potential contingency factors in consumers’ disclosure preferences (Steenkamp, 2005). Below I further elaborate on the contribution of each chapter.
Chapter 2 proposes a method to assess deceptive self-presentation on social media on a large scale, which does not depend on the availability of an external objective criterion, the availability of linguistic cues of deception, does not require access to private SMP accounts and is easily applicable across varying contexts, languages and platforms. The method relies on a self-report measure that incorporates a truth-telling mechanism – randomized response technique (Warner, 1965). In this chapter the proposed method is used to assess gender differences in two domains of deceptive self-presentation: physical appearance and personal achievement. The results reveal a substantial prevalence of deceptive self-presentation on SMPs, predicted gender differences in such behavior, with lower incidence of deception associated with higher level of gender equality in countries. This research expands the stream of literature that looks at truthfulness of online disclosures (Anderson & Simester, 2014; De Langhe, Fernbach & Lichtenstein, 2015). The estimates of deception on social media can also be used to inform consumers and encourage them to discount overly positive information on social media.

Chapter 3 analyses information disclosure on SMPs from a different angle, namely, focusing on consumers’ perspective on data monetization practices. This chapter reports that consumers find it most unfair when the use of their data from social media violates the norms of information flow (Nissenbaum, 2004). Furthermore, it reveals to what extent those consumers would be willing to switch to an alternative social media business model, where consumers could pay a fee in order not to have their data used. The results indicate that universally women, older people and people with higher social economic status are more likely to opt for paying a fee.

Chapter 4 complements Chapter 2 by addressing a methodological issue associated with assessing sensitive consumer behavior across cultures. All previously developed econometric multilevel models for large-scale international survey data on sensitive topics
have to assume at least partial measurement invariance – that is, that at least part of the items function equally across cultures. Such an assumption rarely holds if the dataset spans a large number of countries. Thus, Chapter 4 proposes a multilevel model that both relaxes the measurement invariance assumption and incorporates a privacy-protecting mechanism. The proposed model can, thus, be used by marketers and other social scientists to assess sensitive behavior across cultures (De Jong, Pieters, & Fox, 2010; De Jong, Pieters, & Stremersch, 2012; Fox & Glas, 2003). The practical application of the model uses the method to assess deceptive consumption disclosures on social media.

Taken together, the results of research presented in this dissertation aim to help marketers and consumers to use UGC in ways that are most beneficial for consumers’ well-being.
Summary

The dissertation provides insights into consumer’s willingness to truthfully disclose their personal data on social media platforms based on a large-scale dataset that spans 25 countries and 5 continents. The data provide evidence that a significant proportion of consumers worldwide deliberately choose to present misleading information about themselves on social media platforms in order to enhance their online image, or in order to protect their privacy.

Dissertation chapters 2 and 4 provide tools to assess the proportions of deceptive disclosures on social media platforms. A self-report method to assess the truthfulness of consumers’ social media disclosures is applied to estimate self-enhancing deception in the domains of physical appearance, personal achievement, and consumption across 25 countries. The estimated proportions, as well as the revealed sociographic and psychographic antecedents of self-enhancing deception, can be readily used by marketeers for prognostic purposes. Furthermore, the dissertation provides a novel econometric model for analysis of cross-cultural data on sensitive topics. The model can be used in combination with the aforementioned method for further research of the nomological network of deceptive disclosures on social media.

Chapter 3 of the thesis discusses consumer’s willingness to disclose information on social media from yet another angle – the angle of consumers’ privacy perceptions. The data suggest that consumers are motivated to provide deceptive disclosures on social media if they believe that their data are not used fairly. The chapter examined a managerially practical remedy to consumers’ fairness concerns: offering consumers the choice to pay a monetary fee for their social media use instead of paying with their data. The global dataset revealed which consumer segments are likely to consider social media
data monetization practices unfair, and who would be willing to pay for the use of social media platforms instead of having their data used for commercial purposes. Managers can use these results to estimate the financial feasibility of offering consumers a fee-paying option given the consumer composition of their social media platform.

Taken together, the dissertation expands the theoretical body of knowledge on the prevalence and antecedents of deceptive consumer disclosures, and offers tools that allow marketers to refine the way in which they deal with consumer disclosures on social media platforms.
Nederlandse samenvatting

Het proefschrift geeft inzicht in de bereidheid van consumenten om hun persoonlijke gegevens naar waarheid vrij te geven op sociale mediaplatforms op basis van een grootschalige dataset die 25 landen en 5 continenten omvat. De gegevens leveren het bewijs dat een aanzienlijk deel van de consumenten wereldwijd er bewust voor kiest om misleidende informatie over zichzelf te verstrekken op sociale mediaplatforms om hun online imago te versterken of om hun privacy te beschermen.

Proefschrift hoofdstukken 2 en 4 bieden hulpmiddelen om de proporties van misleidende informatievrijgave op sociale mediaplatforms te beoordelen. Een zelfrapportagemethode om de waarheidsgetrouwheid van de informatievrijgave van consumenten op sociale media te beoordelen wordt toegepast om zelfverbeterende misleiding in te schatten op het gebied van uiterlijk, persoonlijke prestaties en consumptie in 25 landen. De geschatte proporties, evenals de onthulde sociografische en psychografische antecedenten van zelfverbeterende misleiding, kunnen door marketeers gemakkelijk worden gebruikt voor prognostische doeleinden. Verder biedt het proefschrift een nieuw econometrisch model voor analyse van interculturele gegevens over gevoelige onderwerpen. Het model kan in combinatie met de eerder genoemde methode gebruikt worden voor verder onderzoek naar het nomologische netwerk van misleidende informatievrijgave op sociale media.

Hoofdstuk 3 van het proefschrift bespreekt de bereidheid van consumenten om informatie op sociale media vrij te geven vanuit nog een andere invalshoek: de invalshoek van de privacypercepties van consumenten. De gegevens suggereren dat consumenten gemotiveerd zijn om misleidende informatie op sociale media te verstrekken als ze denken dat hun gegevens niet eerlijk worden gebruikt. Het hoofdstuk onderzocht een praktische middel voor
managers om de bezorgheid van consumenten over eerlijkheid te verhelpen: consumenten de keuze bieden om een geldelijke vergoeding te betalen voor hun gebruik van sociale media in plaats van te betalen met hun gegevens. De wereldwijde dataset onthulde welke consumentensegmenten het genereren van inkomsten via sociale mediagegevens waarschijnlijk als oneerlijk beschouwen en wie bereid zou zijn om te betalen voor het gebruik van sociale mediaplatforms in plaats van dat hun gegevens voor commerciële doeleinden worden gebruikt. Managers kunnen deze resultaten gebruiken om de financiële haalbaarheid in te schatten om consumenten een betalende optie te bieden door middel van de consumentensamenstelling van hun sociale media platform.

Alles bij elkaar vergroot het proefschrift de theoretische kennis over de prevalentie en antecedenten van misleidende informatievrijgave van consumenten, en biedt het tools waarmee marketeers de manier kunnen verfijnen waarop ze omgaan met de informatievrijgave van consumenten op sociale mediaplatforms.
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