Oklahoma State University

Social Media Shopping and The Elaboration Likelihood Model of Persuasion

Honors Thesis

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Introduction

Social media is a quickly growing industry with a wide variety of possibilities available to all kinds of users. Whether it be personal use or for a business, social media can help form people and companies in many ways. When it comes to shopping online, social media is a new path that many businesses are learning how to use. Businesses are choosing to promote and sell their products through platforms like Instagram due to their vast pool of users. The key to using Instagram to sell products is to effectively persuade a user to make the purchase. In order for this to happen, the findings from The Elaboration Likelihood Model of Persuasion (ELM) can be used as a guide to understanding how users analyze different messages and are motivated towards a call to action. After reviewing the two options available to business to sell products through Instagram, an overview of The Elaboration Likelihood Model of Persuasion will also be provided. In addition, this report will cover an example of prior research done on The Elaboration Likelihood of Persuasion, the integration of social media shopping and ELM and the managerial application of it.

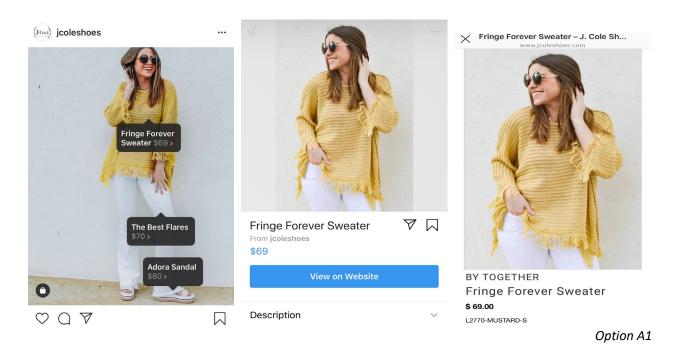
Shopping Through Social Media

In recent years, the use of social media for shopping has drastically increased with more people creating online profiles every day. Omnicore reports that as of September of 2018, the number of monthly active Instagram users had reached 1 billion people and daily active Instagram users was up to 500 million. As for the number of businesses on Instagram, there are 25 million accounts registered to businesses as of December of 2017 (Aslam). Omnicore has also reported that six in every ten online adults have Instagram accounts, as well. There are two well-known routes to take when using Instagram to sell products or promote them in a way that leads to purchasing.

Instagram's shopping feature is extremely user-friendly and is available to businesses in twelve countries (United States, Germany, Austria, Switzerland, Brazil, Australia, Canada, Italy,

France, Spain, the UK and Poland). There are several requirements in place for a business to be able to sell through Instagram's shopping feature. First, the business needs to have an Instagram Business Profile and it has to be connected through Facebook. Additionally, in order for a business to sell through their business profile, they have to be located in one of the approved countries.

With regards to creating posts to sell products, a business has two options they can use. The first option (A1) would be to post a picture in which up to five products can be tagged. Another option (A2) is to make a post in the carousel format. The carousel format allows up to twenty pictures in one post (Berndl). When a product is tagged, the user can click on the tag which will take them directly to the product on the business's website. This direct connection to specific product creates a much easier path for the user to make a purchase. In fact, Shari Lott, the CEO of SPEARMINTLOVE, shared, "After the introduction of this feature, traffic increased by 25% and sales by 8%. We owe that to shopping on Instagram" (Berndl).

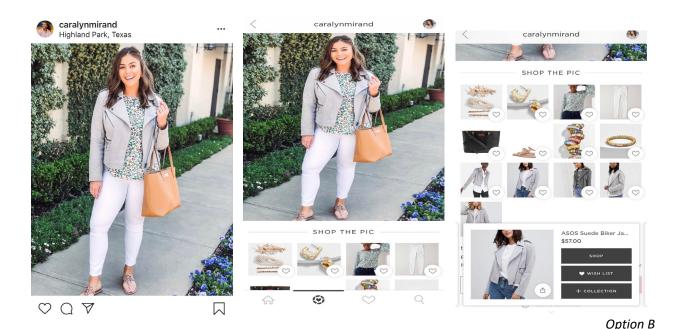




Option A2

A second option (B) that businesses can take is to have influencers post about their products through platforms connected to Instagram, such as LiketoKnow.it. A benefit of shopping through this platform is that users do not have to be on a certain business's page to find their products; rather, they can shop the content they like through different social media influencers. Ignite Visibility reports, "40% of people have purchased an item online after seeing it used by an influencer on social media platforms" (Lincoln).

To use LiketoKnow.it, users have to download the LiketoKnow.it app, which will allow them to shop their screenshots. When users follow influencers that use this platform, they can take a screenshot of the post if they find a product that they like in the post. The LiketoKnow.it app will take the screenshot and upload it to the user's profile. Then, it will pull up all of the products tagged in the picture, descriptions of each product and a link to the website where the user can buy that product. Businesses can really reap big benefits when they find influencers that will post with their products. The key to being successful on LiketoKnow.it from a business's point-of-view, is to have products that influencers want to post with. At the end of the day, it is up to the influencer as to whether or not they like a business's products and want to feature them in their posts.



Businesses should use these numbers to their advantage by selling products through

social media platforms. According to Forbes, "23% of people say they are influenced by social media recommendations on what to buy" (Arnold).

Overview of the Elaboration Likelihood Model

The Elaboration Likelihood Model (ELM) was developed during the 1980's by John Cacioppo, the cofounder of the field of social neuroscience, and Richard Petty, a Chicago University psychology professor. According to the Interaction Design Foundation, "The Elaboration Likelihood Model seeks to explain how humans process stimuli differently and the outcomes of these processes on changed attitudes, and, consequently, behavior" (Geddes). When a reader is presented with a message, they subsequently begin the process of analyzing the information in the message. The "elaboration" of the theory "refers to the amount of effort an audience member has to use in order to process and evaluate a message, remember it, and then accept or reject it" (Geddes). The desire is for a certain message to persuade and motivate the reader to a specific call to action. Cacioppo and Petty determined that a reader will use one of two paths to analyze the information, depending on the level of effort they will

use to process the message. Readers will subconsciously choose between the central route of processing or the peripheral route of processing.

The central route of processing means that readers are putting more effort into reading a message, thus having a higher motivation to understand the content. Seeing as readers are more motivated, they tend to not be distracted while processing the message. Readers tend to take this route when the message resonates personally and they have a heightened interest in the topic. With this route, readers are also predominately predisposed to highlight the strengths of the message, as well ("Elaboration").

The peripheral route of processing differs from the central route in that readers use less effort to read a message. Simply, readers tend to skim over a message rather than directly focus on the content. As a result, the readers are more likely to be influenced by outside factors and distractions. The Interaction Design Foundations explains, "This group of users looks more to the appealing secondary factors of design" (Geddes). Factors such as layout, design, endorsers and others have an effect on the reader's ability to process the message effectively. With the peripheral route, readers often looks for cues or shortcuts to process and make decisions regarding a message ("Elaboration"). These cues can range from emotional states, responses from other readers, or the number of people that have seen the same message. While readers may be initially more drawn to a message with these outside factors, it is less effective in the long run.

Literature Review

A report published in the Health Education Research titled, "The Evaluation of Smoking Prevention Television Messages Based on the Elaboration Likelihood Model" analyzes the effectiveness of smoking prevention messages on television based on the Elaboration Likelihood Model. The introduction to the study states the hypothesis as, "messages emphasizing strong factual arguments about negative consequences of smoking would be rated

more positively by higher risk youth than messages emphasizing peripheral cues" (Flynn). The study also developed a second hypothesis that messages with more peripheral cues would have more positive ratings from lower risk youth.

The study consisted of "a diverse group of non-smoking Grade 7-8 students from public school in three states evaluated three types of smoking prevention messages based on strategies suggested by the ELM." Differences in perceived qualities of the three message types were analyzed by an indicator of involvement in a cigarette smoking initiation decision and by other group characteristics. School districts from three states were selected based on their ability to increase the generalizability of the results and be able to give a sample of moderate size and diversity of representation of lower income households that would have a higher chance of having more kids that come from a smoking environment.

When deciding what messages would be viewed by certain participants, researchers categorized the participants as having either "Higher Involvement" or "Lower Involvement". There were two characteristics to assess the participants who used the central route and two different characteristics to asses who used the peripheral route.

With regards to the results of the study, there was high participation in all of the schools. A total of 1,897 students took part in the study with 126 of those participants being excluded for various reasons. The results showed that of the 1,771 non-smoking students, 40.3% were categorized as "High Involvement" and 59.7% were "Low Involvement". The participants that were categorized as "High Involvement" showed a heightened interest in the messages, where as those that were "Low Involvement" used lower levels of effort to analyze the messages. The results showed that those with "High Involvement" in the messages usually had some sort of personal experience with what was presented, which led to their heightened interest. For example, students that had family members or close friends that were smokers had seen what was presented in the messages in real life, so they were much more likely to use high levels of effort to analyze the television messages.

Social Media Shopping and ELM Integration

The two options for shopping through social media, Instagram's shopping feature and LiketoKnow.it, work differently when tied back into the Elaboration Likelihood Model.

Additionally, the two options within Instagram's shopping feature both differ slightly from each other.

First, we will look at how both options of Instagram's shopping feature work with the Elaboration Likelihood Model, the implications of that and the managerial relevance. Instagram's shopping feature allows businesses to post about their products one of two ways. The first way is to make a single post and tag up to five products. If a business chooses to go this route, it is imperative that they make the post something that will catch the user's eye. The best way to do this is to add in the "bells and whistles" that the peripheral route to processing is known for. It is important to focus on other aspects of design that will draw in a user initially. As discussed, these aspects, or cues, range from emotional appeal all the way to the use of celebrity endorsers. Many users are quickly scrolling through their Instagram feed and may only spend a few seconds looking at a post, meaning a business has only a very brief amount of time to catch the user's attention in their one post.

The implications that comes with this are two-fold. In order for a post to catch the attention of a user, whoever creates it will have to spend a considerable amount of time and effort making sure that it is effective. If the creator decides to have a celebrity endorser, the cost of creating the post increases drastically. So, if the post is not effective in the end and users simply skim over it, the business has already lost.

In addition, Instagram's shopping feature allows for another type of post, as well. Here, a business can choose to create a carousel post, meaning they make one post all together, but that one post can have up to twenty pictures. This route uses both the central and peripheral route of processing because the first picture has to draw in a user enough to persuade them to

scroll through the rest of the pictures in the post. So, this type of post starts out using the peripheral route of processing just like the example above. However, once the user makes the first swipe to view the next picture, the user switches to the central route of processing because they start using a higher level of effort to analyze the post. Instead of skimming over the post, they are drawn in by something that has heightened their interest, increasing their motivation to interact with the post.

In this case, the implication is the same as earlier, but it is even heightened more because each post now has more than one picture and many more products tagged. There are many more resources used to create the post, putting more at stake if it is not effective.

Lastly, shopping through social media can also come through a third party,
LiketoKnow.it. The social media influencers are the ones promoting products in this scenario,
not the business itself. This route also uses the peripheral route to processing because each
post from an influencer must have something that jumps out to users. This is especially
important in this case because a user does not initially know what products are tagged in the
influencers post. The products can range from clothing, shoes, accessories or even skin care. It
is imperative that the influencer finds a way to make something in their post stand out, and if
they are not able to do that, it directly affects any commission they can make, as well.

The implications in this scenario are slightly different because of the situation in which how products are sold. Influencers post about products to persuade their followers to buy them, which is how they collect commission from the sales. The influencers take a direct hit if they are not able to persuade their followers to purchase the products that they are promoting.

Managerial Application

Seeing as shopping through social media is going to continue to grow in the coming years, it is imperative that marketers and managers know how to use their knowledge of the

Elaboration Likelihood Model to their advantage. If they understand how this model of persuasion plays a significant role in how users interact with social media, businesses can learn how to use this to increase their sales. Specifically, marketers can tailor their posts to help users go down either the central or peripheral routes of processing. This will allow marketers a greater amount of control as to how they are able to persuade users to purchase their products through social media.

Conclusion

As shown, the knowledge from The Elaboration Likelihood Model of Persuasion has the protentional to drastically improve a company's sales when used appropriately for shopping through Instagram. The two routes of processing, the central and peripheral routes, can be used by marketers to understand how users view and analyze their posts and ultimately whether or not they are persuaded to purchase the products. While there are implications for the integration of the ELM and social media shopping, the benefits of the outcomes should outweigh any risks involved. While Instagram may have started out as a social media platform for individual, personal accounts, it has evolved into so much more for businesses and will continue to do so in the future.

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