The Characteristics, Category and Motives of Interpersonal Recommendation on Virtual Community: Extended Case Method

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ABSTRACT: *Virtual communities have been the focus of research for some time. However, although many studies have stressed on recommendation systems of virtual communities, few have discussed the significance of interpersonal recommenadation for virtual communities. The purpose of the study is to utilize interpersonal recommendation to tout for customers. The author collected the data of website-operators of direct-sale agent and their members by Extended Case Method (ECM). The research found that the characteristics were significantly different between the recommenders and followers. These characteristics could facilitate the operators of virtual communities to find out excellent category recommenders who are good at developing new customers. Customers with different characteristics need different kinds of recommenders to provide suggestions. The factors of recommendation request among the operators, recommenders and followers were also different. Consequently, we would provide suggestions for the operators of virtual communities and propose agenda of future research based on the research findings.*
KEYWORDS: *Interpersonal Recommendation, Virtual Community, Extended Case Method*

I. INTRODUCTION

Virtual communities have been the focus of research for some time. However, although many studies have stressed on recommendation systems of virtual communities, few have discussed the significance of interpersonal recommendation for virtual communities. Interpersonal recommendation is widely applied to marketing practice, for example: Procter & Gamble successfully brings new shampoo products into the market using interpersonal recommendation to attract about two million new customers (Kelly, 2000).The purpose of the study is to utilize interpersonal recommendation to tout for customers.

The Internet has been growing at an exponential rate in recent years, and life styles are also rapidly changing. A variety of people used the Internet only to search for information, transfer data, and exchange simple messages. But, nowadays, billions of users worldwide have begun to engage in interpersonal knowledge sharing on the Internet through virtual communities (Hagel and Armstrong, 1997). The operators of virtual communities have become more and more interested to influence members' choices, and to rapidly disseminate knowledge and perceptions regarding new products (e.g., Dholakia and Bagozzi, 2001). This reveals that millions of virtual communities have been established, and have attracted users to join them and to share knowledge. However, virtual-communities members have different characteristics, category and factors for using virtual community, website-operators must utilize it to recommend communities members that suit the user's taste. Thus, there has been a demand for website-operators that can search of product recommenders and recommend the existing communities members to tout for customers.

This research provides better recommendation results than other prior approaches, and that it may be important to consider virtual-communities member characteristics for generating good recommendation results.

II. THEORETICAL BACKGROUND

The past study of Recommendation Agents (RAs) falls within the domain of information systems. An information technology artifact (Benbasat and Zmud 2003), RAs are characterized as a type of customer Decision Support System (DSS) (Grenci and Todd, 2002) based on the three essential elements of DSS proposed by Mallach (2000): (1) DSSs are information systems, (2) DSSs are used in making decisions, and (3) DSSs are used to support, not to replace, people. Similar to other types of DSS, when employing RAs, a customer provides inputs (i.e., needs and constraints concerning the product desired and/or ratings on previously consumed products) that the RAs use as criteria for searching products on the Internet and generating advice and recommendations for the customer.

On-line or virtual communities are best described as communities that exist in a computer mediated

space, which have built up relationships between community operators and members. Howard (1993) calls virtual communities " social aggregations that emerge from the Net when enough people carry on public discussions long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace" (Rheingold, 1993). Hagel and Armstrong (1997) highlight the issue of member-generated content (" virtual communities are computer-mediated spaces where there is a potential for an integration of content and communication with an emphasis on member-generated content"). Another definition by Carver (1999) states that virtual communities are " about aggregating people, they are drawn to virtual communities because they provide an engaging environment in which to connect with other people – sometimes only once, but more often in an ongoing series of interactions that create an atmosphere of trust and real insight" .

A variety of people have joined one or more of the virtual communities that have grown up to serve user needs for information sharing, entertainment, and commerce. The rapid growth of virtual communities on the Internet raises the question of what encourages operators of a community to interact with members and tout for customers (Rotter, 1971). Consequently, topics on the website-operators of direct-sale agent in a virtual community recommend members have attracted researchers' interests.

The technology acceptance model (TAM), which explains the user' s acceptance for a new technology (Davis, Bagozzi, and Warshaw, 1989), has been applied most frequently, especially for the Internet-based technologies such as Internet banking, online shopping malls, and product recommendation. So, our study also tries to use TAM and its related models as the models to explain the interpersonal recommendation in virtual communities.

The literature on innovation diffusion can address the uptake of new products and/or technology in which " an innovation is communicated through certain channels over time among the members of a social system" (Rogers, 2003: 5).Everett Rogers' (2003) classic work on a theory of innovation diffusion to explain the diffusion, widespread dissemination and market saturation of products, remains a foundational piece in subsequent studies of innovation.

Innovation diffusion, then, broadly describes the process whereby a product or service and the knowledge of its use and application moves from a source, such as a research and development domain to a point of reception leading, in the classic description of the process, to commercialization, market adoption and uptake (Bozeman, 2000). However, the movement, transfer or exchange can also be within and between small groups and networks such as virtual community, interpersonal networks which requires close cooperation between virtual community recommender and follower (Komninos, 2008: 174-175).

Rogers proposed five stages that influence or shape diffusion: knowledge, persuasion, decision, implementation, and confirmation (Rogers, 2003: 169). In addition, Rogers' configuration identifies five 'ideal types' that indicate where on the S-curve members of a social system are positioned as: innovators, early adopters, early majority, late majority, and laggards (2003:282-284). Rogers also demonstrated the importance of relative advantage for a new product or technology as well as its overall compatibility; relative ease to comprehend and adapt; observable and tangible status; and the ability to perform in a product trial (Rivera and Rogers, 2006: 4). Diffusion is the process by which an innovation is communicated through certain channels over time among the members of a social system (Rogers, 2003).

III. METHODS

This study employed the extended case method (ECM) for qualitative research to conduct in-depth interviews, observations, and a practical literature review of two website-operators of direct-sale agent that produce physical business-to-consumer products. The two cases that served as dichotic samples facilitated conducting comparative analyses and extensive theoretical development (Glaser and Strauss, 1967; Strauss and Corbin, 1990).

The extended case method consists of two ' running exchanges' (Burawoy, 2014) between literature review and data analysis, and between data analysis and data collection, represented as: literature review ↔ data analysis ↔ data collection.

The first running exchange involves the interplay of existing concepts/theories and analysis of empirical data. In the extended case method, intensive analysis of the data and exploration of the scholarly literature occur in conjunction. Data analysis points to relevant concepts and theories in the literature, while simultaneously the literature provides conceptual frameworks to aid in the interpretation of the data. The second running exchange calls for continuously moving back and forth between data collection and analysis. The analysis of initial data (itself informed by the first exchange) suggests additional information to be collected. To test the credibility of my interpretations of the data, I subjected my analysis to member checks (Hirschman, 1986; Lincoln and Guba, 1985). I checked my emerging insights on an ongoing basis with my informants, asking for their feedback, sometimes in a second interview.

In addition, I gathered organizational documents, such as new product proposals, new product process reviews, product announcements, memos, product catalogs, business plans, annual reports, meeting minutes,

press releases, prints of web pages, and business press articles.

I intended to contrast firms that were different in terms of the characteristics, category and factors between the recommenders and followers. Rouse and Daellenbach (1999) called for a rich, detailed investigation of the nature of firm members through comparative case studies, and offered abundant and detailed survey results and findings. A multi-site study allows for cross-site comparison and allows the researcher to see idiosyncratic aspects of any one site in perspective (Miles, 1979). The research sites are briefly described in Table 1.

Table 1 Research sites

Firm pseudonym	Areas of activity	Age	Number of interviews/ observations conducted	Research period
AMY	Vitamins & Supplements, Sports-Nutrition, Weight-Management, Bath & Body, Beauty, Laundry & Cleaning	Since 1959	6 interviews 5 interviewee	17th, Jun, 2017-30th, Sep, 2018
MELA	Vitamins & Supplements, Food & Weight Loss, Cleaning & Laundry, Medicine Cabinet, Dental Care, Bath & Body, Beauty, Candles & Air Fresheners	Since 1985	6 interviews 3 interviewee	

Triangulation of various types of data collected through different methods can overcome the limitations of one method by counter-balancing the weaknesses of one method with the strengths of another (Jick, 1979). I used various types and sources of data to provide a rich and solid foundation for the theory development. I conducted 6 interviews with direct-sale agent and their members involved in product recommendation. Some of the reports by interviewees were retrospective (Miller, Cardinal, and Glick, 1997), other reports were contemporary with the activities they described. Data about recommendation processes were compared and integrated across informants. Interviews commonly lasted from one to two hours, and were tape-recorded. The tapes were transcribed verbatim.

IV. INTERPERSONAL RECOMMENDATION CATEGORY

According to interview, recommendation categories include innovators, early adopters, early majority, late majority, and laggards, cited discussed in more detail next.

Innovators are true visionaries, see the future, predict it, and recommend change to support vision. Innovators early adopt of products, they have a high income, a world view and personality proactive, eager to try new products, adventurous mental. They are less dependent on group norms, and very self-confident, a good educational background so that they allow access to information. Direct-sale agent should be looking for such members, to help develop new customers.

Early adapters are persons who adapt quickly with recommended vision and will help develop corresponding plans and promote their necessity. Often these persons are leaders in a movement for change. They rely on group norms and values, and more concerned with the local community. They are opinion leader, and followers respect them. Direct-sale agent should be looking for an early adapters, through their influence on the followers, can be touted more customers.

A mostly quiet group, early majority, who can discover the value of recommended changes once they understand thoroughly the vision for it and the plans to support it. They collect a lot of early public information, judge of new products to volume the advantages and disadvantages, and to assess a variety of brands. They are friends and neighbors of opinion leaders, to the introduction of new products, even earlier than most people to do things that are always well thought out.

They, late majority, tends to be a bit more negative and doubtful and require significant communication and opportunities to ask questions and are allowed to challenge in order to accept the proposed vision and corresponding plans that bring about change. They were influenced by friends and group pressure to adapt of new products. They adopt of new products behind the general people.

They, laggards, vocally opposed to recommended changes and it takes significant communication of the vision and plans to have this group accept them. They may be very late in accepting change and work to oppose it. They were influenced by the tradition, very conservative. They began to accept the innovation when the innovation has fast become a past history.

Resisters will actively oppose proposed change. Sometimes can be referred to as " saboteurs" because of the length they will go to oppose change. They may never accept the need for a proposed vision, corresponding plans and eventual changes.

V. INTERPERSONAL RECOMMENDATION MOTIVES

We identify four interpersonal recommendation motives on virtual community: concern for other consumers, helping the company, social benefits, and exerting power. These four motivations, each related to a desire to advance the primary purpose of interpersonal recommendation and thus tout customers for the community, are discussed in more detail next.

This concern for other consumers motive is closely related to the concept of altruism (or prosocial behavior) intensively discussed in the philosophical literature (e.g., Nagel, 1970; Paul, Miller, & Paul, 1993) and sometimes referred to in the marketing literature (e.g., Carman, 1992; Price, Feick, and Guskey, 1995).

The helping the company motivation is the result of a consumer' s satisfaction with a product and his or her subsequent desire to help the company (Sundaram et al., 1998). The customer is motivated to engage in WOM (Word-of-Mouth) communication to give the company " something in return" for a good experience. The intended effect of his or her communicative activities is that the company will become or remain successful. Supporting companies is related to the general altruism motive and draws on the same psychological background as the first motive—concern for others. According to this interpretation, the consumer considers the company a social institution worthy of support (in the form of eWOM communication). In addition, this motive also can be supported by equity theory (e.g., Oliver and Swan, 1989). Equity theory suggests that individuals desire equitable and fair exchanges. If a consumer feels he or she has received a higher output/input ratio than the company, then helping the firm by recommending its offerings over the Internet is one way the output/input ratio can be equalized.

Affiliation with a virtual community can represent a social benefit to a consumer for reasons of identification and social integration; thus, it can be presumed that consumers engage in eWOM communication to participate in and belong to online communities (McWilliam, 2000; Oliver, 1999). Specifically, consumers may write comments on opinion platforms as such behavior signifies their participation in and presence with the virtual community of platform users and enables them to receive social benefits from this community membership.

Given the great number of potential receivers of eWOM communication, the long-term availability of the comments, and their accessibility by companies, a consumer' s individual articulation of a consumption problem can contribute to the exertion of (collective) power over companies. Since negative consumer comments can influence the way a company and its image are perceived, public articulations may be used by consumers as an instrument of power. Therefore, eWOM communication provides a mechanism to shift power from companies to consumers, particularly in cases where criticism is articulated by many consumers simultaneously—a regularly occurring phenomenon on Webbased opinion platforms.

VI. CONCLUSION

Virtual community operators should seek interpersonal recommendation to tout for customers, this eWOM save the company costs, help to close the relationship between direct-sale agents and customers. Virtual website operators should look for recommenders such as the innovators and early adopters that they adopt for new products faster. They are opinion leaders of small groups and follow a lot of followers, through their interpersonal recommendation to help the company development of many customers.

The purpose of this study was to explore the motivations consumers have for articulating their views on virtual community platforms. Using virtual community users who had participate in online activities, this study provides insight into a variety of different motives for interpersonal recommendation and their impact on followers.

For virtual community operators, the results of our study provide the first comprehensive account of recommenders' interpersonal recommendation motives. Identifying such motives enables virtual community operators to design their service in a more customer-oriented way by touting the specific members.

Based on our results, virtual community operators can develop programs that appeal to the basic motives that drive interpersonal recommendation behavior. For example, because of the especially large impact that social benefits have on interpersonal recommendation behavior, a virtual community operator might decide to offer special services by interpersonal recommendation to increase community coherence and activity.

In this part of the virtual community platform, users could start threaded discussions on topics of interest and build a sense of community by increasing their familiarity with other users. Another way to increase the attractiveness of the virtual community platform as a social space might be to provide room for recommenders to recommend their followers. This information would be available for other members to view and, again, may serve to increase familiarity among the users and increase the sense of community. These are but two examples of how the motive results from this study could be used to craft strategies to encourage interpersonal recommendation behavior.

Another finding from our study is that consumers are not a homogeneous group in terms of their interpersonal recommendation motivations; instead, they can be divided into distinct motive segments. Given

the presence of different motivation segments, strategies for encouraging and increasing interpersonal recommendation participation should be developed with particular segments in mind.

Virtual community operator engages in more interpersonal recommendation behavior, a firm may want to emphasize how doing so aids both other recommenders and consumers. Operators should undertake research to understand the motives of their particular user base.

Some limitations are associated with this study that provide directions for future research. First, as with every new research field, the validity of the empirical results is in question insofar as no previously existing scales for interpersonal communication motives were available to help validate the depicts used in this study. Therefore, a major challenge for future research would be to continue to refine the discourse used in this study; doing so also would allow for replication of the findings of this study. Second, the empirical results allow conclusions at an aggregate level, but make it difficult to detect differences between different kinds of goods and services. Third, since this study focuses on motives for writing online articulations, examining motives for reading interpersonal recommendation represents another promising extension of our study. Finally, research sample was used in this study, which might make it difficult to generalize the results to other countries, especially to countries that are less developed in terms of Internet access. This suggests that future research should replicate our study by exploring consumers' online articulations in different cultural contexts.

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