

The Influence of Paid, Owned, and Earned Social Media Content on the Customer Experience

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A dissertation submitted to Auckland University of Technology in partial fulfilment of the requirements for the degree of Master of Business (MBus)

2023

Faculty of Business, Economics and Law

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Keywords

Keywords: Social Media, Customer Experience, Customer Perception, Customer Journey, Paid Media, Owned Media, Earned Media

Abstract

This study aims to understand how the customer experience is impacted in the context of social media marketing. To do this, the three main types of social media content, paid, owned, and earned, are investigated in relation to the customer experience. This is researched in the context of Instagram to answer the research question, how does paid, owned, and brand-related content on Instagram impact the customer experience? This is a qualitative study which interviews ten participants who have made a purchase from Instagram within the last 6 months. The findings present three key themes: 1) perception of trust 2) product value 3) gender preferences. These themes are discussed in relation to the customer experience where paid and earned media impact the customer experience positively for female consumers and owned content impacts the customer experience positively for male consumers. It is also found that paid and earned media diminish the exclusivity associated with owning high-value products. The findings of this research imply that factors such as the value of the product and the gender of the target audience for the product should be considered when using paid, owned, and earned social media content to create positive customer experiences.

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Attestation of Authorship

“I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor used artificial intelligence tools or generative artificial intelligence tools (unless it is clearly stated, and referenced, along with the purpose of use), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.”

Bhavina Singh

20/10/2023

Chapter 1: Introduction

1.0 Preface

The purpose of this chapter is to provide a foundation for the study to build on, including an introduction to the research topic and its background. Rationale to justify the need for this research is discussed, followed by the research purpose, objective, and question. The research methodology is summarised. Finally, an outline for the dissertation is provided.

1.1 Research Background

The rise of social media has changed the dynamic of how consumers interact with brands. Marketing has shifted from being a one-way communication channel to a two-way interaction between customers and brands and this shift has significantly changed how brand messages are received by customers. Although social media offers many opportunities for brands to market to consumers, social media marketing conversion rates remain low in comparison to other forms of digital marketing (Zimmermann & Auinger, 2023). A reason for this can be the limited research that exists to understand how social media marketing is perceived by consumers. Unlike other traditional marketing channels, social media is saturated with a wide range of content that can alter the consumers perception of a brand (Wibowo et al, 2021), therefore understanding how other forms of content on social media impact the customer experience is important to understanding how to leverage social media for marketing success.

Social media content can be categorised into three forms of media: paid, owned, and earned. As the names suggest, paid media is content that the brand has paid for which can include influencer content and sponsored ads (Burcher, 2021). Owned media is content which the brand has posted from their own brand accounts and earned media is any content that is not paid for and has been posted by anyone external to the business (Burcher, 2021). These

three types of social media content make up the stimuli which impacts the customer experience for social media consumers, although how this content impacts the customer experience has room for further research.

1.2 Research Rational

Paid, owned, and earned media is a marketing concept proposed by Daniel Goodall which illustrates that a harmonious collaboration of all three types of media is required to produce effective marketing outcomes (Burcher, 2021). Used for decades, this concept of paid, owned and earned media has been studied extensively in a vast range of fields and has been proven to deliver effective marketing outcomes. Among these effective marketing outcomes lies the concept of the customer experience which has become a top-priority marketing objective for most businesses. In 2022, 56% of businesses considered improving the customer experiences to be one of their leading business goals (Wintermantel, 2023). Paid, owned, and earned media has been studied in relation to its effect on the customer experiences with many studies establishing a positive relationship between the two. O'Neil & Eisenmann (2017) found that paid, owned, and earned media can increase the consumers credibility and reliability in a brand and these variables are known to shape consumer experience. What is missing in this stream of research, is testing the concept of paid, owned and earned media and its effect on the customer experience in the context of social media. The need for expanding this study to social media is because social media is one of the largest and fastest growing marketing platforms in the 21st century. Statista Research Department (2023) project that by 2025, businesses are estimated to spend over 82 billion dollars on social media marketing. Despite the growth of social media as a marketing platform, knowledge of how to utilize and leverage social media marketing for building successful customer experiences is still limited. This also provides an opportunity to make a theoretical contribution by expanding customer experience

research into the field of social media marketing. Thus, the rationale behind this study is to explore how paid, owned and earned social media content impacts customer experiences.

1.3 Problem Statement

This research aims to address the knowledge gap between current literature on paid, owned, and earned media and its application and impact on marketing success in social media content. Current literature has not taken into consideration the experiential differences posed by social media and therefore it cannot be assumed that research surrounding paid, owned, and earned media will seamlessly transfer into the digital world. Furthermore, social media is a marketing platform where all three types of media can exist simultaneously (Hanlon & Tuten, 2022), which poses the question of whether perceptions of each type of media can change or be influenced by another type of media. Promoting a deeper exploration of the research gap of how paid, owned and earned media impact the customer experience within social media will allow marketers to design stronger social media marketing campaigns which are better suited for their ideal consumer. Focusing on the effectiveness of each media type with the assumption that the results can be generalised for all online consumers is ill-fitting to the diverse and subjective nature of social media customer experiences. Exploring this research topic through a qualitative perspective will inform meaning and ways of knowing what makes up the customer experience in the social media environment which cannot be done using a quantitative perspective. Therefore, this research aims to make a contribution to current literature by examining this research topic through a subjectivist lens to understand how paid, owned and earned social media content can impact the customer's individual experience. In a world running on big data, where marketers are trying to create the most personalised ads catering to each unique customer, it is important to understand how consumers perceive the content they see on social media in order to market towards them in a way which enhances their customer experience.

1.4 Research Purpose, Objective and Question

Current literature recognises that the customer experience is curated through customer responses to stimuli (Lemon & Verhoef, 2016). These stimuli can include any interactions the customer has with or about a brand. Although the customer experience has been studied in relation to traditional marketing stimuli, social media is a growing marketing platform which presents a range of new and unique stimuli that has scarcely been studied in relation to the customer experience. This reveals a research gap in the customer experience literature and the aim of this research is to address this gap by providing an insightful understanding of how social media stimuli impact the customer experience. Social media stimuli can be categorised into three types of content: paid, owned, and earned content, and exploring how customers react to each type of content will help fulfil the research aim of understanding of how social media content impacts the customer experience.

The purpose of filling this gap is to expand on the customer experience literature, allowing marketers to use each media type on social media to create positive customer experiences for the consumer. This research can also help consumers/social media users to understand how marketing on social media is carried out using paid, owned, and earned media and how this can impact their own experiences of social media. Following this purpose, the overarching objective of this research is to holistically expand the understanding of paid, owned, and earned social media content and explore how each media type impacts the customer experience. Taking into consideration the limitation of resources to complete this dissertation, this study narrows the pool of social media platforms to Instagram as it is a saturated social media platform where all three types of media forms can be found.

The research purpose and object inform the following research question that will be addressed in this research paper:

How does paid, owned and earned brand-related Instagram content impact the customer experience?

1.5 Research Methodology

To answer this research question, a relativist ontology and subjectivist epistemology will be adopted. This leads to an interpretivist research paradigm, which entails that reality is created by individuals (Gary, 2018), and this is deemed most suitable as this study aims to research customer experiences. To provide a brief overview of the research design and methodology for this research, a sample size of ten people aged between 18-35 who have purchased something from Instagram within the last 6 months and are living in Auckland, participated in an individual in-person interview. The interview transcriptions were then open-coded, and the data was thematically analysed to answer the research question. A detailed rationale and justification for this chosen methodology will be provided in chapter three, the methodology chapter.

1.6 Dissertation Outline

This dissertation consists of five chapters with chapter one serving as the introduction. The remainder of the dissertation is structured as follows: literature review, methodology, findings, discussion, and conclusions. Chapter two will review relevant literature on the customer experience and paid, owned, and earned media. Chapter three will cover research methodology and design, providing a rationale for the use of a qualitative methodology and the steps required to accurately answer the research question at hand. Chapter four will present the findings of the interview data. Chapter five will be the discussion chapter where the findings are interpreted and compared to existing research. In this chapter the research question is answered, limitations of the study are acknowledged, recommendations are made, practical implications of the study are provided and suggestions for future research are made. Finally,

chapter six is the conclusions chapter where the research is summarised and how the aim of the research has been fulfilled is restated.

Chapter 2: Review of Literature

2.0 Preface

This literature review is divided into three parts: part one is a review of customer experience literature, part two discusses literature on social media and part three is an overview of how paid, owned, and earned social media content impact the customer experience. The aim of this literature review is to understand one of the key concepts of this research paper, consumer experience. Part one revisits the progression of defining consumer research through literature, establishing the premises for why it matters in marketing literature and finally analyses a key factor which influences the customer experience, trust. Part two focuses on understanding the role of social media in marketing literature and its impact on the customer journey. Finally, part three synthesises the concept of paid, owned and earned social media content with the customer experience.

2.1 Introduction

Over the last decade, social media marketing has grown exponentially and as of 2022 businesses spent \$230 billion U.S. dollars on social media marketing (Dencheva, 2023). Despite this, successful social media conversion rates are only between 2%-5% (Zimmermann & Auinger, 2023). From a practical perspective it is important to understand how social media marketing budgets can be better utilised to increase the rate of successful conversions and a key to this discovery is understanding how social media content is perceived by customers and impacts the customer experience. Building strong consumers experiences are important as they determine whether a consumer will progress to the purchase stage of their customer journey (Lemon & Verhoef, 2016). The customer experience is not built only from the ads promoted on social media but is a combination of all social media content seen and perceived

by the consumer when interacting with social media. The concept of paid, owned, and earned media, is one that exists to categorise media based on the way in which it is acquired (Hanlon & Tuten, 2022), and this concept can be applied to categorise social media content. Research demonstrates that these varying categories of media can be perceived differently by consumers and calibrate different customer experiences (Lemon & Verhoef, 2016). This research aims to understand how paid, owned, and earned social media content can influence the customer experience.

This literature review begins by exploring the customer experience as a concept, its importance in marketing and the factors that make up this experience. After this, the review discusses social media marketing, the unique circumstances in which it differs from traditional marketing and the introduction of social media content. This follows into literature around paid, owned, and earned content, the characteristics of each type of media and how it is known to influence customer experiences.

2.2 Customer Experience

Customer experience is a marketing concept that has been debated through time, yet it remains to be a popular business objective (Becker & Elina, 2020). The literature proposes a range of definitions to help understand the customer experience in marketing, including its earlier mentions in Abbott's work, that *"what people really desire are not products but satisfying experiences"* (Abbott, 1955, p. 40). Abbott's work began to shift the perspective that customers are not only product-focused, but rather they also put emphasis on the experiences created by engaging with a brand. Schmitt (1999) builds on this definition by defining the customer experience as a concept that looks beyond a product or service and encapsulates a customer's physical and emotional reaction, satisfaction, or dissatisfaction with the customer journey. This definition makes it even more prominent that the customer experience is created

through much more than just a brand's product or service and is rather a customer's reaction to their customer journey.

Often in earlier literature, the idea of satisfaction has been closely entangled as an indicator of experience (Jaiswal & Singh, 2020). This trend is also noticed by (Anshu, Gaur, & Singh, 2022) who have seen the customer experience evaluated through customer satisfaction, although this misconception has been debunked as contradictions in research on the customer experience illuminate differences between customer experience and customer satisfaction. Satisfaction is mentioned both in Abbotts and Schmitt's definitions of the customer experience, although newer research has pointed out that satisfaction is only one measure of a customer's reaction to their customer journey and therefore satisfaction is only an aspect of the customer experience (Manyanga, 2022). Satisfaction alone does not consider a holistic perspective of the customer experience and perhaps with the advances of technology like social media, a better way of measuring and defining the customer experience is needed rather than simply viewing it as the level of satisfaction with a product or service.

The current most holistic and referenced definition of the customer experience comes from Lemon and Verhoef (2016) where the customer experience is defined as *"a multidimensional construct focusing on a customer's cognitive, emotional, behavioural, sensorial, and social responses to a firm's offerings during the customer's entire purchase journey"* (Lemon & Verhoef, 2016, p. 71). Similar to Schmitt, this definition suggests that the customer experience is a result of the conscious evaluation of the customer's reaction to a firm interaction. It has also discontinued the term satisfaction like the definitions that came before. Although Lemon's definition is the most agreed upon, (Becker & Elina, 2020) argue that customer reactions are not consciously evaluated in customer experience and define customer experience as a *"non-deliberate, spontaneous responses and reactions to particular stimuli"* (Becker & Elina, 2020, p. 637). This definition recognises customer experience as a spontaneous response which introduces a new perspective on studying customer experience. Becker & Elina

(2020) also dismiss the idea that customer experience is the result of a customer's response to brand interaction, instead, broadening this definition with the term '*stimuli*' to account for customer responses during the consumption process. The consumption process includes all customer interactions during the customer journey and therefore includes not only firm interactions but also customer and stakeholder interactions (Becker & Elina, 2020).

Lemon and Verhoef (2016) discussed this similar concept within customer journey literature where customers can have various interactions outside of the firm which can still shape their customer experience. Examples of this include word-of-mouth (WOM) interactions, and with the increased use of online communication, the subtopic of electronic word-of-mouth (E-WOM) is also considered (Huete-Alcocer, 2017). WOM interactions are the passing of information through communication and in an E-WOM context this communication is carried out online (Verma & Yadav, 2022). The rise of social media has added a new layer to the customer journey where customers can have various interactions which can shape the customer experience. Social media plays an important role in facilitating the customer journey and it is important to understand how the increased exposure to stimuli presented by social media will impact the customer experience.

The customer experience has rarely been studied by exploring a customer's non-deliberate, spontaneous response to online stimuli. This means that online stimuli such as social media, could be curating customer experiences in a way which may be subconscious to consumers and therefore have not been properly understood by researchers. This opens a research gap in understanding the customer experience in the context of social media. Filling this gap will expand on the customer experience literature by providing an insightful understanding of how social media stimuli impacts the customer experience. Social media offers exposure to traditional sponsored firm interactions (paid and owned media) as well as E-WOM interactions (earned media). This amalgamation of paid, owned and earned media makes social media the perfect online stimuli through which to explore the customer

experience. Because social media enables customers to be exposed to stimuli external to the firm through E-WOM, it allows customers to co-construct their customer experience. This means that firms have significantly less control over orchestrating the customer experience and therefore investigating the influence of social media on the customer experience can help firms understand how to manage the customer experience digitally.

Apart from unpacking its various definitions, it is important to investigate, why customer experience has become a topic of discussion and why it matters. Important for any brand is to make and increase revenue and profits throughout its lifetime (McColl-Kennedy et al, 2018). The customer experience in many ways can impact this bottom line making it such a crucial and fascinating topic for marketers to investigate. Smith and Wheeler (2002) in their research, around managing the customer experience, come to understand how customer experiences, if managed well, can turn customers into advocates. They explore concepts such as customer loyalty which are impacted significantly as a result of the customer experience (Smith & Wheeler, 2002). Customer loyalty has been defined as *“a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby, causing repetitive same brand set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour.”* (Oliver, 1999, p. 34). Understandably, causing such a strong repetitive behavioural change around re-purchasing is a goal for many businesses, which is why businesses continuously aim to gain and retain customer loyalty. Research has proven time and time again how customer experiences impact customer loyalty, including the work of Barsky & Nash (2002) who tests this relationship in the hotel industry. Here they simplify customer experiences as positive or negative encounters with a hotel employee and measure how this affects guest loyalty. Their findings share similarities to the work of Smith and Wheeler (2002) where a positive relationship is found between the effect of the customer experience on customer loyalty. In recent years, newer research has reaffirmed Barsky & Nash’s findings while testing this effect in different industries including

telecommunications (Imbug et al, 2018) and retail (Srivastava & Kaul, 2016). What this research has come to prove, is the importance of the customer experience as a stream of research. Improved customer loyalty is only one of its many benefits as literature has emphasized how naturally an increased competitive advantage is the result of strong positive customer experiences (Smart, 2016). Smart's book presented the customer experience as an opportunity for marketers to gain customer loyalty and ultimately a competitive advantage (Smart, 2016), making it such an important stream of research for marketers.

Literature around leveraging the customer experience for success was quite often situated around the service industry (McColl-Kennedy et al, 2018), although in recent years the shift to a more holistic view of the customer experience has emerged. Lemon & Verhoef (2016) build the understanding of the customer experience through seven pillars: customer buying behavior process models, service quality, relationship marketing, customer relationship management, customer centricity and customer engagement. Each of these contributors offers a different lens from which the customer experience can be viewed, although the common themes within his pillars can help us understand which factors influence the customer experience.

One such common factor influencing the customer experience, entangled in the research streams of relationship marketing, relationship management and buying behaviour is the concept of trust (Boateng, 2018). These pillars that Lemon & Verhoef (2016) argue have built the foundation of the customer experience, all encompass traits of emotional connections, most widely researched of which is trust and reliability. For decades, relationship marketing literature has preached the importance of building trust and reliability for successful customer relationships (Boateng, 2018). The commitment-trust theory by Morgan & Hunt (1994) ferment this assumption by conceptualising relationship marketing and establishing a theory which demonstrates the requirement for trust to exist in successful relationship

marketing. Although this theory is widely mentioned, the definition of trust in marketing remains inconsistent. In search for a clearer understanding of trust, Cowles (1997) turns to economic literature which establishes a difference between “trust” and “trustworthiness” that had been missing from marketing literature. This differentiation between trust and trustworthiness refers to trust as the confidence put in another person or entity, whereas trustworthiness refers to the characteristics or behaviours that lead to the perception of trust in others (Pearce, 1974). It is this perception of trustworthiness which can influence the customer experience (Boateng, 2018). Therefore, to understand the customer experience it is important to understand which factors of the customer journey are perceived as trustworthy.

The customer experience is an important element of marketing and business success and the review of literature lays foundation for its importance in assuring whether a consumer will continue their customer journey with a brand. Understanding that the customer journey has changed with the arrival and expansion of social media indicates that the customer experience as a result of social media has also changed. To understand how social media has impacted the customer experience it is important to understand the paid, owned, and earned content that makes up social media. This paid, owned and earned content is the online stimuli which consumers both deliberately and non-deliberately respond to which curates their customer experience.

2.3 Social Media Marketing

As fascinating as the customer experience is, this study aims to add to the literature by understanding the customer experience in the context of social media marketing. Since the customer experience is such a multi-dynamic topic, it has been difficult to encompass in relation to social media marketing and holistic research is limited. Kaplan & Haenlein (2010, p. 61)

define social media as “*a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content*”. This formal definition establishes the unique digital presence and opportunity for user-generated content presented by social media. Social media has evolved substantially since Kaplan & Haenlein defined it a decade ago, with new definitions focusing on different aspects such as social media analytics (Zachlod et al, 2022) or social media literacy (Cho et al, 2022), yet despite these variations, the core functionality and business model remain the same. What makes it such an interesting topic of research in marketing is the way social media has reshaped how business and marketing practices are carried out. Waqas et al (2021) explains, how the digital transformation of marketing, as a result of new technology, impacts the customer experience, and social media is a huge part of that transformation.

In the online world, Thomas & Veloutsou (2013) defines the customer experience as a response to digital stimuli and Bridges & Florsheim (2008) confirm that this stimulus can influence the customer experience through both the functionality and entertainment provided by interactions on social media. This means customers use social media to either functionally communicate by engaging with other users and accounts or by using social media as a form of entertainment. Wibowo et al (2021) links social media marketing to the customer experience saying they both evoke customer responses and impact the consumer’s analysis process before the purchase stage of the customer journey. This is a crucial stage that determines whether a consumer continues their customer journey to make or discard a purchase. Therefore, understanding how social media marketing can make or break the customer experience at this stage can increase the chances of purchase success.

Social media marketing has many features which make it unique from traditional marketing. Firstly, is the ability to customize search through default search, hashtags, captions and now AI filtering to find content most closely matching the customer’s wants (Tuten &

Solomon, 2017). Although algorithms are designed to personalise the feed to the user based on their searches, interactions, and the preferences of other users in a similar demographic, even developers are unable to predict what content is displayed on each user feed (Eg et al, 2023). The unpredictability of customised search and personalised feeds is one that tries to cater to the consumer's needs although makes it difficult to understand how customers perceive and experience this content. Secondly, social media marketing allows for two-way business-customer engagement which can provide businesses with authentic customer reactions in real-time. Traditional marketing channels allow one way communication where businesses promote brand messages which customers can only receive and not respond to. Social media is one of the largest marketing platforms which provide two-way communication between customers and brand through engagement (likes, comments, and direct messages) (Baumöl et al, 2016). Two-way communication allows businesses to gather valuable consumer feedback and understand changing customer preferences in real-time. This information is valuable to businesses in any aspect of decision-making which has become possible with the use of social media. Thirdly, social media marketing is one of the few marketing channels which collect and provide big data allowing businesses to target ads and customise the marketing experience for each individual customer. Eg & Tønnesen (2023) demonstrate this social media advantage with their research on customer search and personalised content, but it's worth appreciating that this is only possible through access to big data provided by social media. Although Eg & Tønnesen mentioned that algorithm predictions are difficult even for developers, Ghania & Hamid (2019) mention that predictive data analysis is possible with certain types of social media data and such data helps direct paid ad content to its target audiences. This opens a channel for understanding how paid content is presented to consumers which can be used by marketers to explore how consumers perceive and experience paid social media content.

Some research illustrates social media marketing to be an anti-invasive and entertaining way of present marketing (Stephen & Galak, 2012), although others argue the opposite, with research showing customers can find social media marketing invasive and annoying (Goldstein et al, 2014). The difference between these studies is what is defined as social media marketing and the types of content involved. In the work of Stephen & Galak (2012), the seamlessness of social media marketing comes from electronic-work-of-mouth happening through earned media, whereas in the study of Goldstein et al (2014), the invasiveness described is occurring as a result of paid media. This reinforces the importance of the differences between the effects of these media forms which is what the remainder of the literature review will investigate.

2.4 How Paid, Owned, and Earned Social Media Content Impact the Customer Experience

Traditional marketing often used the communication model of Shannon and Weaver to understand how advertisements were received by consumers (Holm, 2006). Although proven effective, it was later revisited to account for “noise” which are external factors that can alter how the communication is being received by the consumer. This model revisited (Shankar, et al., 2022), better reflects the habitat of digital marketing, where communication does not occur one-on-one, yet is constantly interrupted by external factors which can alter how the consumer receives online marketing messages. One way of understanding how to manage this noise is to understand the types of media present on social media and how consumers perceive this media which constructs their customer experience.

Introduced by Daniel Goodall, paid, owned, and earned media are forms of marketing content which remain evidently present on social media marketing platforms (Seager, 2009). This is also referred to as the POEM model, build on the acronym paid, owned, and earned media (Wan, 2019). Marketing researchers and agencies created a digital marketing trifactor

model to show that companies should aim to equally produce paid and owned media as well as encourage earned media in order to achieve favourable marketing outcomes (Garman, 2023). A similar claim has been made by Chaffey (2023) who suggests the importance for an equal distribution of digital marketing media to increase the chances of reaching a wider audience online. What these models do not account for is how customers perceive these forms of media and how this impacts the customer experience. Reaching a wider audience online through digital marketing media without understanding how the media is perceived by consumers could be the difference between creating positive customer experiences which lead to customer loyalty, or creating negative customer experiences which can drive away potential customers. To utilize social media marketing for building positive customer experiences, it is important to understand current literature surrounding the three types of social media content (paid, owned, and earned media) and how they impact the customer experience.

2.5 Paid Media

Paid media is any form of media that has been paid for by a brand to be promoted (Burcher, 2021). The most common forms of paid social media content are 1) sponsored ads, where the brand pays the social media platform to promote their content as an advertisement or 2) influencer marketing, when an influencer is paid to create and promote content for the brand (Hanlon & Tuten, 2022). Companies produce paid media to reach new potential consumers with the intention of generating positive brand attitude ultimately leading to a purchase (Mattke et al, 2009). Although both types of paid media often aim to achieve the same goal, research around how consumers react to each type of paid media is found to be different.

2.5.1 Influencer Content

Literature has not yet agreed on a single theoretical definition for an influencer. Ao et al (2023) defines a social media influencer to be someone who has a significantly large and

active following, which only someone who follows the influencer would recognise. This can be easily argued as people are now able to identify influencers based on their following even if they themselves do not follow the influencer (Matin et al, 2022). In its earlier mentions, an influencer was simply a person external to the brand's marketing who influenced the consumer's purchase decisions (Brown & Hayes, 2007), although with the rise of social media and its increased external influences, this definition became too broad to encapsulate the full essence of being an influencer. This study uses the definition of Chopra et al (2021) of an influencer as being someone who commands a large following on social media intending to reach a target audience to promote a brand's message. Although influencers and influencer content can exist without being paid media, this study focuses on influencer content that is classified as being paid media which means a brand has paid the influencer to create content to promote the brand's message.

With the rise of influencers during the early stages of social media marketing, brands were enticed by the large following and high-engagement of influencers (Vrontis et al, 2021). Now influencer marketing has become a highly popular marketing discipline trying to leverage marketing success from influencer audiences (Leung et al, 2022). Influencer marketing has been widely studied with interestingly different arguments regarding its successes and shortcomings. There is research to prove the positive effects of influencer content on the customer experience where customers have a high-level of trust in influencers and influencers are able to persuasively communicate brand messages to consumers resulting in successful influencer marketing campaigns (Belanche et al, 2021). This is supported by research from Ao et al (2023) who discovered that the credibility associated with influencers increases the consumer's purchase intention. This means that influencer content can change how credible and trustworthy consumers perceive a brand to be. Since trust is a factor which influences the customer experience, this change in customer perception of trust is how influencer content impacts the customer experience.

On the other hand, Hanlon & Tuten (2022) mentioned that with the rise of influencer content, consumers have become sceptical of paid influencer content despite having strong parasocial relationships with the influencer. Research also shows that brands have some level of influence as to how influencer posts should be created (Reinikainen et al, 2020), and this has led to consumers finding it difficult to trust the messages communicated by influencers (Hughes et al, 2019). Hanlon & Tuten (2022) also mentioned that consumers react negatively when they see tags or hashtags indicating influencers were paid to promote certain content since they are legally required to do so. According to literature it is evident that influencer marketing may no longer be as effortlessly consumed by customers. Therefore if it is true that consumers perceive influencer content as being untrustworthy, influencer content can have a negative impact on the customer experience.

2.5.2 Sponsored Ads

The other more standard form of paid media is social media advertising. Referred to as many things, social media advertising is simply a form of internet advertising that is posted on social media, allowing user engagement (Huo, Liu, & Min, 2021). Social media ads on Meta (Facebook and Instagram) are defined as sponsored posts or sponsored ads (Plume & Slade, 2018), which is the adapted terminology for this research.

There is no denying that investing in sponsored ads comes with a vast range of marketing benefits for business. Social media allows businesses to directly connect with end-customers, at a lower cost to traditional advertising costs of the same volume (Ohajonu & Mathews, 2015). Businesses are able to create targeted ads for specific consumer characteristics, all while being able to track ad progress, engagement and conversions in real time (Plume & Slade, 2018). These are advertising benefits which are unique to the circumstances of social media marketing through sponsored ads. Although literature describes many

benefits of sponsored post advertising, these benefits are focused form only the businesses perspective and not the consumers perspective.

Some research argues that social media advertising is more subtle than other digital advertising mediums as social media ads are presented in the same format as social media content (Aydın, 2016). Although this is true in some cases, many countries have laws ensuring social media ads are labelled as sponsored posts, so users are informed that the content is an advertisement (Naderer et al, 2021). The effect of this differentiation is often overlooked in research but is found to have a bigger impact than expected. From the consumers perspective, sponsored posts, especially when labelled as ads, hinder the trust ability and likability of the ad (V et al, 2021). A reason for this is the consumers concern around their lack of data privacy when encountering targeted sponsored ads (Jung, 2017). If this concern does impact how consumers perceive sponsored ad content, it could have a negative impact on the customer experience.

2.6 Owned Media

Owned media are brand owned assets, both in the physical and digital space, including a website, social profile, or store (Burcher, 2021). Unlike paid media, owned media content is free to produce, with businesses having full control of what content and brand message they chose to promote (Hanlon & Tuten, 2022). Bonchek (2014) argues that social media content cannot truly be owned content as the social media platforms are able to monitor and regulate how content is presented, although most other literature disregards this variation and considers brand-owned content on social media to be owned media.

Hanlon & Tuten (2022) outlines some benefits of owned social media content to be: sharing sales and promotions, announcing new product launches, sharing time sensitive and relevant business information, listening, and engaging with customers. Holmlund et al (2020)

also recognises the benefits of monitoring marketing analytics when producing owned media. This includes the monitoring of consumer engagement through likes and follows as well as deeper insights of customer opinions through comments and private direct messages to firms. Although there is some research which states that the benefit of owned content also allows brand to build long-term relationships with customers (Beukeboom et al, 2022), other research shows this is not always the case. Sashi (2012) outlines four types of customer relationships which can emerge as a result of brand interactions including transactional customers, delighted customer, loyal customers and fans. Sashi shows that all types of media, including owned media can produce any of the four customer relationships mentioned above and there is not enough research to support that owned media builds long-term relationships with customers in comparison to other media types.

Although literature around owned media is focused on the benefits it poses from a business perspective, not much is known about how consumers perceive owned media, especially on social media. This research aims to expand on existing literature on owned media by understanding how consumers perceive it and how it impacts their experiences with a brand.

2.7 Earned Media

Earned media is unpaid media exposure that is not controlled by the brand including word-of-mouth, PR or often seen online as user-generated content (Burcher, 2021). By nature, paid and owned media are controlled by the brand as the media they own and pay to promote are constructed by the brand (Hanlon & Tuten, 2022). Earned media on the other hand is unpredictably out of the brand's control and therefore managing earned content from a distance requires a degree of marketing expertise.

The concept of elective-word-of-mouth (E-WOM) is one that classifies as earned media and has been researched a little more than earned social media content. E-WOM is

defined as “*any positive or negative statement made by potential, actual or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet*” (Jalilvand et al, 2011, p. 43). On social media this is seen as earned media when user-generated content is created and released about a brand. This can come in many forms including, posts, stories, tweets, comments and more depending on the social media platform at hand. Although earned media can be both positive and negative E-WOM about a brand, positive earned media can greatly increase trust and credibility towards a brand (Zhou et al, 2023). This is seen in the work of Larry (2019) where earned media played a crucial role in restoring consumers trust in a brand. It is seen again mentioned in a study (Ing & Hakimey, 2013) where 70% of consumers trusted online earned media when making a purchase decision. Because there is such a strong correlation between earned media increasing customer perception of trust in brand, it is possible for earned media to positively impact the customer experience according to literature. One study found earned media to increase impulse buying intention for brands with low familiarity in comparison to owned media (Zhou et al, 2023). Although comparative research like this is limited, it does go to show that there are circumstances in which earned media has a greater impact on the customer experience than other types of media and this study aims to explore this impact further.

2.8 Concluding Summary

In conclusion, this literature review lays a foundation for understand the key concepts within the research topic which can be expanded on in this study. The concept of the customer experience was found to be an important indicator of business success and how factors such as trust, and reliability can positively and negatively impact this experience. The literature also recognises that the customer experience is built through customer reactions throughout the customer journey. The growth of social media has changed the customer journey, and the impact of this change has not been studied on the customer experience. Social media presents

paid, owned, and earned media, and how customers react to these three types of media during their customer journey creates their customer experience. Literature found consumers to perceive paid media as both trustworthy and untrustworthy for different reasons which leaves room to understand how the customer experience is impacted as a result of these varying perceptions of trust. Owned media was found to be a beneficial marketing strategy for brands although not much is known about how consumers perceive this media and how it impacts the customer experience. Finally, earned media was found to increase consumer perception of trust in brands and therefore impact the customer experience positively although there is limited research to prove these results for earned social media content which leaves room for further research.

Chapter 3: Methodology

3.0 Preface

The methodology chapter is divided into ten subsections to illustrate and justify the chosen research design process for this study. It begins with the research philosophy outlining the ontology, epistemology and research paradigm chosen for this qualitative study. Following this is the research type which is inductive reasoning and why it is best suited for this research. Then the cross-sectional time horizon is discussed, followed by the sampling strategy of non-probability sampling. The profile of participants table is provided, along with the data collection method of interviews with an explanation of how the interview guide was constructed. The research design then discusses its ethical considerations and the chosen data analysis method of thematic analysis. Finally, this chapter closes with consideration for how trustworthiness and credibility is maintained through the research design process.

3.1 Research Philosophy

Al-Ababneh (2020, p. 77) describes the first layer of research design to be identifying the research philosophy which he defines as “*the nature and development of knowledge*”. For this study, understanding the effects of paid, owned and earned social media content on the customer experience is a topic that does not seek to test a hypothesis, but build an understanding of the customer experience through the descriptions and perceptions of the participants. Therefore, the research philosophy should be reflective of this non-linear way of developing knowledge. This means the research philosophy should be one that does not hold a preconceived idea or bias as to how the customer experience is impacted by social media and is open to understanding the perception of customers which create the experience.

The research philosophy is built by identifying the ontology, epistemology, research paradigm and methodology (Antwi & Hamza, 2015). Gary (2018) describes ontology to be our beliefs on the nature of reality. Since this research topic acknowledges that realities can change between people and time, a relativist ontology is adopted. This is because the customer experiences are unique to individuals and any data collected surrounding this experience can only reveal momentary truths about reality (Lemon & Verhoef, 2016), therefore the findings will vary between time periods proving the need for a relativist ontological approach. Following ontology, epistemology is defined as what it means to know knowledge (Hetherington, 2012). A subjectivist epistemology entails that knowledge is attainable through symbols and language systems as subjectivism interprets the world through an individual's subjective lens (Poucher et al, 2020). Similar to why a relativist ontology was chosen for this research, a subjectivist epistemology is most suitable for this study as understanding the effect of social media content on the customer experience requires knowledge to be gained from an individualistic perspective. This aligns with the natural assumption of the research topic that the customer experience is not experienced or impacted uniformly, yet it is subjective and therefore justifies the use of a subjectivist epistemology.

Within a subjectivist epistemology, the research paradigm of interpretivism is deemed most appropriate for this research. Grant & Giddings (2002) define a paradigm as the research approach used to collect findings. An interpretive paradigm understands that people's character and experiences derive both from their social and cultural life and establishes meaning, which can be understood and collected using an interpretivism paradigm (Chowdhury, 2014). This aspect aligns with the objective of this research, to understand the effects of paid, owned, and earned social media content on the customer experience. This is because using the research paradigm of interpretivism as the research approach will help reveal what

meanings the customers derive from these forms of social media content and how these meanings construct the customer's experience.

3.2 Research Type

With the research philosophy identified as interpretivism, it is logical to use inductive reasoning as the research type. Inductive reasoning aims to explore knowledge from a narrow to broad funnel which starts with a particular idea and through qualitative data collection forms concepts and theories about rich experiences and descriptive meaning (Woiceshyn & Daellenbach, 2018). This is because, in qualitative research such as this, concepts are generated from the collected data as opposed to deductive research which tests an established theory by collecting data. The research gap identified in the literature review reveals that social media marketing has changed how consumers interact with brands and this can reshape their customer journey and impact their customer experiences. In order to fill this gap and understand how social media has changed and impacted the customer experience, data needs to be collected from consumers who are using social media as part of their customer journey to understand how their customer experiences have been impacted. This justifies inductive reasoning to be the appropriate research type to answer the research question for this study as it collects data to generate understanding of the research topic.

3.3 Time Horizon

The time horizon in which this research has been completed is cross-sectional. A cross-sectional time horizon refers to the collection of data at a single point in time (Rindfleisch et al, 2008). This is because of time limitations posed by a master's dissertation that multiple rounds of interviews with the same participants could not take place to track if findings were changing over the course of time periods. Despite this, the findings generated from a cross-sectional time horizon will still expand on the customer experience literature by

understanding how social media impacts the customer experience at a single point in time. This time horizon was selected to ensure the research can be completed within a semester to qualify as a dissertation and therefore data could not be collected in a longitudinal time horizon to further explore how the customer experience changes over time. Regardless of this limitation, the findings of this study still hold validity in addressing the research question as with inductive reasoning, collecting data at a stationary point in time reveals the reality of that moment.

3.4 Sampling Strategy

For this research, non-probability sampling has been chosen as the sampling strategy. A non-probability sampling method aims to reach participants who meet the criteria to participate in the study but understand that these participants must opt into the study to qualify as participants. The criteria to be considered for this study were 1) to be between the ages of 18-35, as this is the most saturated age demographic of Instagram users this decade (Statista, 2022), 2) have purchased a product through Instagram within the last six months, 3) be based in Auckland to physically participate in the interviewing process, and 4) be able to communicate in English as no translators were recruited for this study. In order to reach an audience that fits the participation criteria, a Facebook ad was run for three weeks which resulted in 25 people expressing their interest in participating in this study. These people were contacted to confirm that they fit the participation criteria and ten participants who completing their consent forms were selected as the final sample group. Since there is no way of accessing the contacts of everyone who fits the participation criteria due to the ethics and lack of resources, it is only possible to carry out sampling for this study using a non-probability sampling strategy.

3.5 Participant Table

The following table presents the age and gender of the ten participants interviewed for this study.

Table 1- Profile of Participants

Participant	Gender	Age
1	Female	19
2	Male	30
3	Female	19
4	Male	26
5	Female	24
6	Female	22
7	Male	24
8	Female	20
9	Male	28
10	Female	21

3.6 Data Collection Method

This study found interviews to be the most suitable data collection method for this research. The interviews were electronically recorded using an iOS voice recording app and the researcher used memos in a physical notebook to capture research thoughts during each interview. The interview guide used for the interviewing process can be found in Appendix A. The interview begins by familiarising the participant with the three types of Instagram content (paid, owned, and earned) investigated in this study. Visual examples of each type of content and how they may appear throughout the Instagram app are provided for participants to look through and ask any questions if they need to. The visual social media content examples used for the interviewing process can also be found within the interview guide in Appendix A. Once participants have been introduced and familiarised with paid, owned and earned social media content, the interview commences with some general questions to get some background on how participants use Instagram as a social media platform.

1) *What are your favourite reasons for using Instagram?*

This first question helps understand the participant's intentions for engaging with Instagram. This could include using Instagram as a social platform to engage with friends and family, using it as a form of entertainment and/or a shopping platform. Hajli (2014) identifies many reasons that motivate the use of social media and that there is a possibility of overlapping

reasons as to why participants engage with Instagram. Since the customer experience is made up of customers reactions to stimuli, understanding why consumers engage with social media can help build a picture of the type of content they may encounter in their customer journey. This can be helpful later in the interview to understand how customers respond to the content they encounter based on their reasons for using Instagram.

2) *On a weekly basis, how much time would you say you spend on Instagram?*

Kaatz (2022) teaches the marketing rule of sevens which states that in order for customers to make a purchase, they must first on average be exposed to the product or service seven times during the pre-purchase stage of their customer journey. The amount of time participants spend on Instagram could correlate with the amount of content they consume which could lead to an increased likelihood of purchase on Instagram. To open up a possible conversation surrounding this theory, this second question can provide the necessary data around time spent on the app.

3) *We know a criterion for taking part in this research was to have purchased something from Instagram within the last 6 months. How many products and brands would you estimate having purchased through Instagram within the last 6 months?*

The final question in the general questions category leads the participant into the main portion of this interview, their experience purchasing on Instagram. This question is also intended to collect data surrounding the frequency with which the participant purchases from brands on Instagram. Research shows that frequent purchasing, especially as a returning customer, is identified as a sign of a positive customer experience (Ahmed et al, 2022). This means this data could help identify whether there are links between participants who engage

with certain types of social media content and if this could be a reason for more frequently purchasing through Instagram.

1) What is a brand/s you have purchased from through Instagram within the last 6 months?

- *Which sort of products or services does this brand offer?*
- *What did you purchase from them?*
- *Was this a product/service you were actively looking for prior to seeing it on Instagram?*

Leading the interviewees into their personal experience of purchasing through Instagram will help build a picture of what their consumer experience has been like. This question aims to understand what makes up the consumer experience for each participant including which brand niche they enjoy enough to purchase from. Also asking whether they were actively looking for the product they have purchased can help place the customer on the customer journey map. The customer journey map demonstrates how a customer follows a journey from being interested in and made aware of a product or brand, engaging in search and research until eventually being convinced enough to make the decision to make a purchase which leads to constructing their consumer experience (Lemon & Verhoef, 2016). In regard to this map, understanding where a consumer may be in their journey could change the way in which they perceive the content they see on social media. Therefore, this section of the interview sets the scene for questions leading into the types of content they were exposed to within their experience.

2) How were you first introduced to this brand on Instagram? This could be an Instagram story, reel, post, ad etc.

This is where the interview begins to identify specific types of Instagram content to link back to the research question. Once the participant identified which types of content they came across in regard to the brand they purchased from, the researcher asked probing questions to identify whether it could be categorised as paid, owned or earned content. These probing questions can include a further description of the visuals of the content, any captions, hashtags, and tags. This section of the interview ties back to the introduction when participants are familiarised with the three types of content discusses in this study which can help them to describe the types of content they have experienced in their customer journey.

3) How did you feel about the brand-related content you were exposed to?

- *What aspect of this content captured your attention? Why?*

Now that the types of social media content the participants have been exposed to have been identified and discussed at length, the interview explores how this content links to the customer experience. According to Lemon & Verhoef (2016) definition of the customer experience, the customer's reactions to their journey are what primarily construct the experience. This is why this question is aimed at giving the participant the opportunity to recount and explain how they felt about the social media content they had encountered before making a purchase.

The sub-question exists to try and link the specific elements of the content that captured the participant's attention to the certain emotion or memory it caused. This data was crucial in beginning to identify the sort of impact paid, owned, and earned content can have on the customer experience.

4) Did this content make you perceive this brand as a reliable or nonreliable brand to purchase from? Why or why not?

Diving deeper into this impact, (Smith & Wheeler, 2002) states that a consumer's perception of how reliable a brand is, will significantly impact their likelihood of making a purchase from a brand. Customer experience literature also identifies trust and reliability as a factor which can impact the nature of the experience. Based on this importance, this question gathered data on how the social media content the participants experienced influenced their perception of the brand's reliability. This data could reveal common themes between certain types of social media content leading to increased reliability or unreliability in a brand and therefore an increased likelihood of positive or negative customer experience.

5) If you were to have seen this brand-related content in a paid/owned/earned context, would it change how you felt about the brand? Why?

Since this study is using an inductive reasoning research approach, it is not possible to compare each type of content with its counterparts to see how it changes its impact on the consumer experience. To bridge this gap using an imaginative approach, this final question has been added to explore how participants think their reactions to the brand would have changed if the social media content they experienced was presented differently. This meant if a participant had purchased from a brand because they came across influencer content (paid media), would the participant have reacted differently towards the brand or product if it were post from the brands account (owned media)? This could also open up discussions around other factors which influence how customers perceive different media forms including the price or value of a product or perhaps the layout of the content. Although these hypotheticals cannot be tested, this idea of receiving content through different forms of media could spark conversation around what participants think influences their reactions and the customer experience when exposed to social media content.

The interviewing process was in-person and took place at both AUT south and city campus to accommodate for all participants. Interviews took place between May to September 2023.

3.7 Ethics

The participants, as per AUTECH guidelines, were provided with a study information document outlining the purpose of the study and their involvement as a participant as well as a consent and confidentiality form to get their written approval before engaging them in the study. A copy of the study information document and consent form can be found in Appendix C and D of this document.

3.8 Data Analysis

To use inductive reasoning suggests that data collection and analysis from social media users could reveal concepts between social media content and its impact on the customer experience. In order to correctly apply the research strategy, a thematic analysis process has been adopted which involves two fundamental components: 1) data collection and 2) analysing the data to find themes which can explain the relationship between the research concepts (Makri & Neely, 2021).

The data collection process used is known as theoretical sampling where firstly, interview data is collected and transcribed. These transcriptions are then broken into individual excerpts which are grouped into codes. This step of open coding allows common ideas and themes within the data to be grouped together, identifying concepts that explain the research outcomes and giving possible directions to new theories which can be explored in future studies. These codes are then analysed further using axial coding which links together groups of code into more distinct themes (Flick, 2013). Finally, when data collection and analysis have

reached saturation, core themes which connects groups of code can be identified through selective coding, and these core themes can inform meaning around how paid, owned, and earned social media content impact the customer experience.

To assist the researcher in analysing the interview transcripts, a qualitative data analysis software, NVivo 10, was used. The researcher led the research process and used the software as a tool to process the coding required for the thematic analysis discussed previously. This software is available to AUT students and was accessed by the researcher through their AUT account.

3.9 Trustworthiness

Trustworthy data and research require credibility, transferability, dependability, and confirmability (Lincoln & Guba, 1985). Credibility and transferability can be ensured by collecting data from interviewees who are able to discuss knowledgeably what the researcher seeks to explore. This does not mean an interviewee is tailoring their responses to better align with what they think the researcher expects to hear, but instead, the interviewee has the experience to discuss the research topic at hand. To ensure this held true to this study, the participation criteria outlined the requirement of participants who had experienced purchasing through Instagram in the last six months. This ensured the interviewees were experienced with the app and its content that were discussed in the interview, increasing the trustworthiness of the data produced. This was further ensured through the introduction section of the interview when participants were provided with visual examples of the social media content (paid, owned, and earned) that can help interviewees be more knowledgeable in recounting and communicating their experiences on the app.

Another way to increase the trustworthiness of the research is to establish confirmability and this is done by ensuring the reduction of researcher bias. The researcher is solely responsible for ensuring that they are able to dismiss any bias when interviewing and

analysing data for this study. A way of ensuring this is done is through a comparative analysis paired with memo writing. These techniques not only strengthen the trustworthiness of the research outcomes but reduce researcher bias as the researcher is given ample opportunity to consistently review and reflect on the research data. The memos help the researcher keep track of their thoughts which were helpful to separate from the analysis. To assure the accuracy of the data, systematic comparisons were made using constant comparative analysis. This means that the data is collected and analysed and the themes which emerge from the data can be linked back strongly to a cohesive and saturated pool of data that is coded well.

3.9.1 Concluding Summary

In conclusion, this research uses a qualitative methodology, collecting data by interviewing ten participants who have recently made a purchase through social media. A thematic analysis was conducted using the interview data to understand concepts which can explain how and why social media content impact the customer experience.

Chapter 4: Findings

4.0 Preface

This chapter presents the findings of the research compiled from the interview data. It begins by introducing the three key themes which emerged from the data and visually representing these findings in a conceptual diagram. The themes are presents in the following paragraphs and supported with interview quotes and extracts for the remainder of the chapter.

4.1 Table of Themes

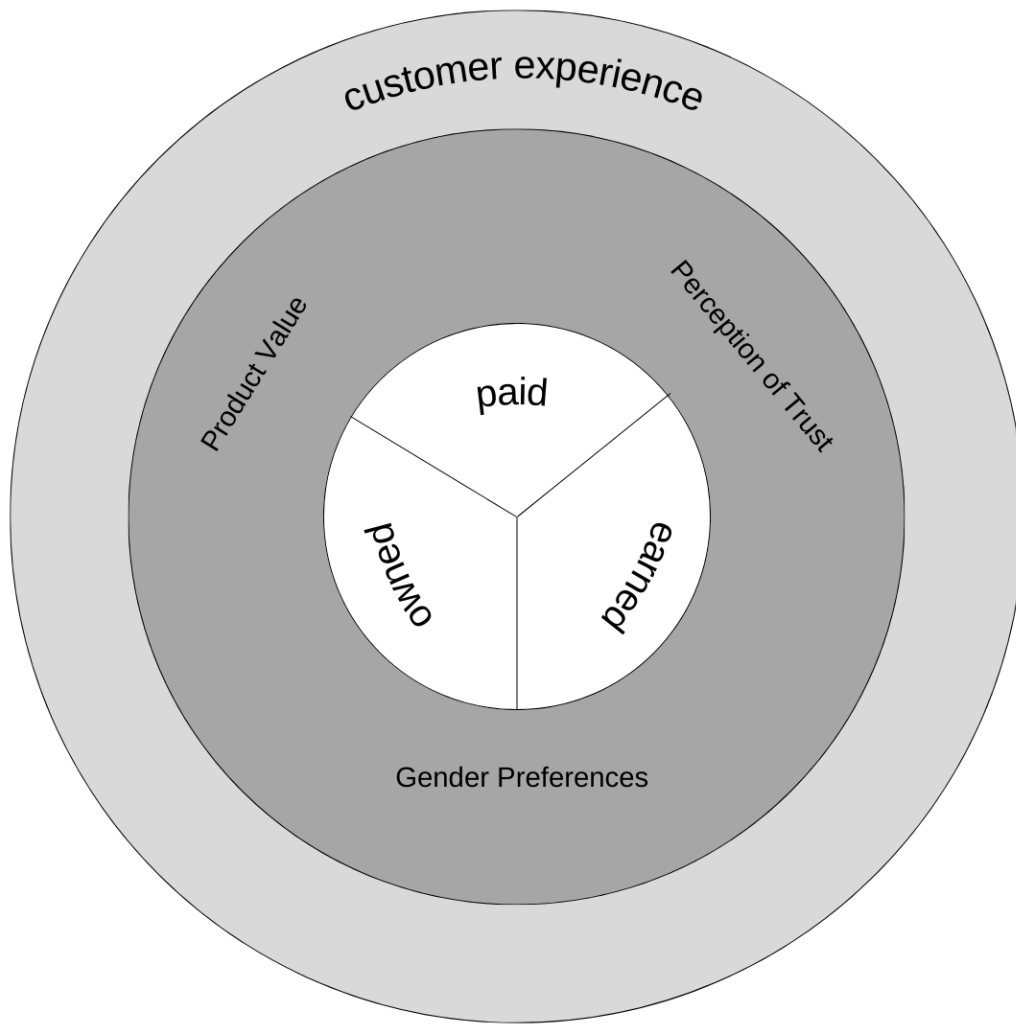
Theme	Definition	Codes	Interview Quote
Perception of trust	The presence of some forms of paid and earned content to increase the customers perception of trust in a brand.	Influencer content makes brand more trustworthy.	<i>"I liked it, usually influencer posts mean it's a good reliable brand"</i> – participant 3, female.
		Customer review content makes brand more trustworthy.	<i>"I guess, people who've actually used it for quite a long time and taking the time to write reviews and post photos and all that. That's how I actually know it's reliable"</i> – participant 5, female.
Influence of product value	Consumers react differently to paid, owned, and earned media depending on whether a product is high-value or low-value.	High-value products.	<i>"That will kind of annoy me because I don't like when other people purchase...especially if it's something that I want to be like a unique thing. Like someone has the bowl, it's like, why did I get it?"</i> – participant 2, male.
		Low-value products.	<i>"Zala was quite a bit expensive compare to the ponytail because this one was not real human hair so it was cheaper and I thought it could still work out even if it wasn't a perfect match"</i> – participant 6, female.
Gender preferences	Males and females react differently to paid, owned, and	Males prefer owned content and	<i>"I just don't like ads, especially online...online it's getting so saturated that I honestly begin to</i>

	earned media which impacts their customer experience differently.	dislike paid content.	<i>dislike brands if I see their ads online one too many times” – participant 7, male.</i>
		Females prefer paid and earned content.	<i>“I get it you have to get yourself out there and I would have been happy to see the comb as an ad because what if that was the only way I would have ever come across it and not seeing the ad meant I would never find the comb”. – participant 8, female.</i>

4.2 Introduction

This research looks at the effect of paid, owned and earned social media content on the customer experience and aims to understand how each type of media impacts the way social media content is perceived by the consumer. The findings chapter presents the qualitative data collected during the interview process to help answer the research question. Three key themes emerged from the interview data 1) perception of trust 2) product value 3) gender preferences for social media content impact the customer experience. The structure of this chapter follows these three themes, backing all claims with interview quotes and extracts referenced in Appendix B. The diagram below illustrates how these three themes are linked together to show how paid, owned and earned social media content impact the customer experience.

Figure 1 – Conceptual Framework



4.3 Theme 1: Perception of Trust

This theme discovers that paid and earned media influence the way in which customers perceive trust and reliability. Within the customer experience literature, trust and reliability are known as factors which can influence the customer experience (Boateng, 2018). Keeping this in mind, participants were asked whether the content they encountered on Instagram made them perceive the brand as reliable or non-reliable, in an attempt to understand how customer perception of trust and reliability towards certain content impacted their customer experience. Participants found the brand they purchased from to be more reliable and trustworthy when they encountered specific variations of paid and earned social media content. This theme

identifies how paid and earned social media content influence the customers perception of trust which impacts their customer experience.

The paid media in this theme was often present in the form of influencer content where a brand had paid an influencer to promote a product on their personal account. The earned media that increased brand reliability and trust came in the form of customer reviews often through photo content. This theme excludes content produced by influencers which were not paid for by the brand as this would not classify as paid media. The findings also show that trust in the brand decreases with the absence of paid influencer content or earned media. This theme provides interview extracts which demonstrate how paid and earned media influence customer perception of trust.

4.3.1 Paid Media Influences Trust

This subtheme looks at how specifically paid social media content influencers how consumers perceive trust and reliability. It was found that within paid media, influencer content was often associated as a tool for assessing the reliability and trustworthiness of a brand. Participant 1 quotes *“Just finding the amount of, how would you say, reputable fashion influencers”*, in response to how she concluded whether a brand was reliable or non-reliable. This identified that the presence of fashion influencers increased how reliable participant 1 perceived the brand to be. She was later asked if her perception of how reliable and trustworthy a brand was would change in the absence of influencer content to which she responded, *“I would feel a bit iffy about it”*, indicating a sense of hesitation in trusting the brand. Since trust and reliability are factors which influence the customer experience, this demonstrates that the presence of influencer content also positively impacts the customer experience as the perceived trust and reliability of influencer content led the consumer to make a purchase. Similarly in

the absence of influencer content, perceived reliability decreases and will negatively impact the customer experience if the consumer does not trust the brand enough to make a purchase.

This theme of paid social media content influencing customer perception of trust and reliability is prevalent in many of the participants interviewed. Many participants responded to influencer content as having a positive impact on their customer experience. Participant 8 said, *“I guess it depends on the influencer, but I would most likely like it. Because I like seeing other people using or demoing the product and knowing that there’s a niche where it’s used and it’s popular”*. Although the participant does not know how reliable and trustworthy the brand is, the influencer content helps the consumer perceive the brand as being popular and well used within its niche and this is something the participant admits to liking when recounting their consumer experience. Participant 3 shares a similar response to influencer content influencing their perception of trust in the brand saying, *“I liked it, usually influencer posts mean it’s a good reliable brand”*. This demonstrates that as a result of their exposure to influencer content, they perceived the brand to be trustworthy which positively impacted their customer experience as they were more inclined to make the purchase.

An important distinction in this theme is that all influencer content did not influence consumers to perceive a brand as being more trustworthy or reliable. It is found that the influencer producing the influencer content should be considered a reliable source in order for the influencer content to impact the consumer experience positively. Participant 8 when asked if she found influencers to be trustworthy responded, *“Not all, but yeah mostly”*. Participant 9 makes this distinction by saying, *“It depends on who it is. Like if it’s a gamer I really like then I’ll be happy to know what stuff they’re using but I just don’t want an influencer to lie they love the product when they’ve never used it before in their life”*. This shows that not all influencer content equates to perceiving a brand as being more reliable. The influencer must be considered a trustworthy source, in this case a gamer whose recommendations the participant was happy to trust, and therefore would consider purchasing from.

In conclusion, this subtheme illustrates how paid influencer content influences customers perception of trust which impacts their customer experience. Consumers found that they perceived a brand to be more trustworthy and reliable in the presence of influencer content which created positive customer experiences as trust and reliability are factors which influence the customer experience. The presence of influencer content which created positive customer experiences often led participants to make the purchase whereas the absence of influencer content resulted in doubtful customer experiences which made participants resistant to follow through with their purchase journey.

4.3.2 Earned Media Influences Trust

Another subtheme that emerged found earned social media content to change how trustworthy and reliable consumers perceived a brand to be. The presence of earned media content, especially in the form of customer reviews, was found to be an essential factor to create positive customer experiences which increased the consumers purchase intention. Participant 5 said, *“I usually don’t buy things unless I see millions of reviews”*, later re-emphasising, *“I guess, people who’ve actually used it for quite a long time and taking the time to write reviews and post photos and all that. That’s how I actually know it’s reliable”*. Similarly, participant 8 says *“I guess what I mean is reviews are positive because you want to know other people have bought it and liked it, coz sometimes the reviews will point out issues with the product or company to warn you to not make the purchase”*. Participant 9 also had a similar response to earned content saying, *“Yeah I’d find that more trustworthy if they’re reviewing it without being paid for it”*. This demonstrates the importance of earned social media content which impacts how trustworthy and reliable the customer perceives the brand to be. The importance of seeing the customer reviews not only signifies to the consumer that this is a reliable brand but is part of the reason why the customer will follow through and make a purchase. Participant 8 shares a similar response saying, *“if people are posting about it more that*

would be reliable”. He also shares how the lack of good quality earned content lowered his level of trust in the brand, saying *“if its anonymous short reviews without pictures you can almost believe that the company faked them but if they repost actual customer photos and posts then its more trustworthy”*. Again, this demonstrates how earned media influences customers perception of trust in brands and this perception of trust impacts the customer experience by determining whether the customer will continue their customer journey from pre-purchase to post-purchase, thus establishing how earned media impacts the customer experience.

4.4 Theme 2: Product Value

It was found that how participants perceived each type of media changed between purchasing a high-value versus low-value product. It was found that participants were happy to be introduced to products through paid, owned, and earned media when dealing with low-value products. On the contrary, when dealing with high-value products, participants were unhappy to see earned content as it took away from the uniqueness and exclusivity of owning the product and reduced the product's value in the customer's perspective. It was also found that participants invest more time and effort into verifying if a product is high-quality and reliable when purchasing a high-value item in comparison to a low-value item. To differentiate between high-value and low-value products and brands, this study refers to the pricing of the products where high-value products are luxury items or brands. The findings for this theme use interview extracts to demonstrate that product value impacts how media is perceived.

Participant 1 mentions that her first purchase, which was a dress from Erys Studio, was *“a bit of a budget stretch”* and *“the dress was quite a bit over \$100”*. She required earned media and influencer content to help assess the quality of the product before making a purchase. She is cautious so as not to confuse the brand as a drop shipping business, saying *“Most of my research is trying to find out whether they are a drop shipping company”*. She refers to drop shipping brands as giving a cheaper, low-quality impression, saying that *“for high-quality*

pieces, I tend not to go with drop shipping sort of companies". Establishing that she considered her dress from Erys Studio to be a high-value item, her purchase journey goes as follows: She is introduced to the product through earned media on TikTok. She then finds the brand on Instagram where she is exposed to owned content on the brand account. The owned content is reused paid content from influencer campaigns where she mentions *"finding the amount...of reputable fashion influencers"*, contributed to her increased perception of the brand's reliability. Then she researches the brand further by checking the brand's tagged posts and reviewing earned content of existing customers saying, *"I am more concerned with photo reviews"*, where *"zooming in is really helpful...(to) get a clearer picture"*. This was to ensure the quality of the product matches its value. When satisfied with her research, she purchases the dress from Erys Studio, mentioning *"It has arrived in one piece and it's looking good"*. This demonstrates that when dealing with a high-value product, her attention is more focused on paid influencer content and earned content through photo reviews as this type of media increases reliability as covered in the previous theme.

In immediate contrast, participant 1 shares her second purchase which was made on a drop shipping site called Temu. Here she also buys an item of clothing but does not follow the same purchase process as with the dress. She first sees a YouTube advertisement which is paid media and because she categorised this as a low-value product, she made the purchase right after seeing the ad. When asked about her different approaches to both purchases, she answers, *"The main thing would be just the price because the thing is the dress was quite a bit over \$100, so obviously when you're spending that much you want to go research and make sure it's good but because I was just getting basic shirts. Yeah"*. This demonstrates that she views her shirts from Temu as being low-value and that is why she did not take the time to research other content before making a purchase, highlighting the theme that product value impacts how media is perceived.

Similarly, participant 6 shared that she purchased 2 types of hair extensions from 2 different brands, Zala and Insert Name Here. How she perceived the social media content also changed between her 2 purchases with the major difference being the price of the 2 products. She quotes Zala to be *“real human hair so they’re a bit pricy”* and she goes on to describe her purchase journey where she is first exposed to Zala through paid content. When asked how the content she saw on Instagram convinced her to make a purchase, she responded, *“Since it was a pricer purchase I wanted to make sure it would look good as it does on the models so I tried searching Zala hair on Instagram to see what other people had posted.... the reviews on Instagram kinda helped see what the colours look like without so much editing. And once I was happy knowing what colour I was gonna get I just went on their website and bought it”*. Here she illustrated that she searched for earned content to be convinced that she was making the correct purchase since she deemed Zala hair extensions as a high-value purchase. Despite her second purchase also being another hair extension which she came across on Instagram as paid content, she does not take time to look for earned content to ensure it is the correct colour and quality. Instead, when asked why her purchase process changed, she says, *“Zala was quite a bit expensive compared to the ponytail because this one was not real human hair so it was cheaper and I thought it could still work out even if it wasn’t a perfect match”*. This is evidence of the theme that the product value impacts how media is perceived, where exposure to earned media became more important when dealing with a high-price high-value purchase in comparison to a cheaper product in the same category.

This theme reappears with participant 2 who purchases a men's shirt from Zara saying they are *“not extremely expensive”*. For the Zara shirts, which he does not identify as an extremely high-value purchase, he comes across a piece of owned content of a model wearing the shirt and proceeds to make the purchase on the official Zara website. When asked hypothetically if he would have seen earned posts of the Zara shirt by friends of customers,

Participant 2 responded, *“It would be more interesting. It would be probably more honest feedback about the product, that’s kind of important to know”*. Here the participant is open to responding positively to earned content surrounding their Zara shirt, using it as a helpful tool for gaining honest feedback about the product. This perspective quickly changes when discussing their second purchase which is a luxury interior design ceramic. Participant 2 came across the ceramic through a post on the brand account, making it owned content. This time when hypothetically asked if they were to have seen the ceramic as earned media content, participant 2 responded, *“That will kind of annoy me because I don’t like when other people purchase...especially if it’s something that I want to be like a unique thing. Like someone has the bowl, it’s like, why did I get it?”*. This shows that earned media is not received positively when it comes to a high-value purchase as it diminishes the exclusivity of owning the product. This is seen again with participant 7 who wouldn’t be happy to see his purchase as an earned post, saying *“if I saw like lots of random people wearing it, it won’t feel so special to me anymore. Like I know it’s not the most expensive thing but it was still quite expensive so I would want it to feel like unique to me”*. Here the value and uniqueness of the product are again threatened by earned media.

In conclusion, the interview quotes provided for this theme show that there is a relationship between the value of the product and how media is perceived. Consumers take time to ensure a product is high-quality and reliable by searching for paid (influencer) and earned (customer review) content when purchasing a high-value product. Consumers do not find it as necessary to research paid and earned content when purchasing a high-value product. If the product is extremely high-value and appreciated for its exclusivity by the consumer, then earned content can threaten the exclusivity of the product and the customer experience can be impacted negatively.

4.5 Theme 3: Gender Preferences

Another interesting theme which emerged from interview data was surrounding the differing preferences and perceptions of social media content between different genders. It was found that females follow a wide range of accounts including friends, family, brands, and influencers as well as interacting with multiple pages on Instagram such as the home feed, stories and the explore page. This allows females to be exposed to and interact with all types of paid, owned, and earned media and therefore each type of media fulfils a specific role in their purchase journey. The majority of the male participants, on the other hand, were found to solely follow brand accounts and spend most of their time on Instagram on the home feed. This limits males to only being exposed to owned content and therefore owned media played the largest role in their purchase journey. It is also worth mentioning that this seems to be a personal choice and preferred method of using Instagram between males.

The findings exclude participants who identify as having a gender other than male or female as the data is not saturated enough in this category to be included in this theme. The findings provide interview extracts which demonstrate how each media type plays a different role in the purchase process of males and females.

4.5.1 Influencer Content

Female participants were shown to positively respond to influencer content during their purchase journey on Instagram. Females were found to use Instagram for creative inspiration, ranging from technology to fashion. They were also found to be following a wider range of accounts and engaging with multiple pages within Instagram. Participant 1 mentions that she has difficulty tracing specific products she likes from posts and reels, although this issue is resolved with influencer content as brands and products are more clearly mentioned in the content or caption. When asked how she felt about influencer content, participant 6 said “I

don't mind it coz it makes the brand look legit, popular". Participant 8 was asked if influencer content would change how she felt about a brand and she said *"Yeah, I think it would but in a good way"*. This demonstrates the positive view female consumers have of influencer content. It was also found that influencer content provided more information about how to use products or provided creative inspiration to alternative uses in a more organic and less intrusive way for females. This is shown when participant 8 said *"I guess it depends on the influencer, but I would most likely like it. Because I like seeing other people using or demoing the product and knowing that there's a niche where its used and it's popular"*. This demonstrates how influencer content impact the female consumers customer experience positively by informatively demonstrating the use of the product.

Male participants were found to be more sceptical of influencer content, often associating it with negative connotations. When asked about their thoughts on influencer posts, participant 2 responded *"I don't like those posts...it's a bit pretentious. I'm not impressed more by someone else"*. Participant 7 said *"Yeah that's why I don't follow influencers, I don't trust them if they can get paid to promote anything"*, going on to provide an example surrounding the jacket they purchased, saying *"If I saw an influencer wearing it I probably wouldn't like that jacket as much, only because I wanna be wearing stuff I don't see everyone and their dogs wearing. I don't know I just think it would make it look 'trendy' and that would disinterest me a little"*. This shows that males are not only unimpressed by influencers due to a lack of trust but also because it adds to the perception of a saturated market where the product loses its exclusivity. Although the intensity at which influencer content is disliked or discredited differs between each male participant, it is cohesively evident that this is the male stance on influencer content.

4.5.2 Sponsored Content

Differences have also emerged in the way males and females respond to sponsored content. Sponsored content in the context of Instagram refers to content that the brand has paid to run as an advertisement. This type of ad is commonly referred to as a sponsored post or sponsored ad. Male participants found to dislike sponsored posts whereas female participants had a neutral response where they do not discredit the brand or content if it is presented as a sponsored post.

Male participants were found to react negatively towards paid sponsored posts. Participant 7 quotes *“I just don’t like ads, especially online...online it’s getting so saturated that I honestly begin to dislike brands if I see their ads online one too many times”*. When asked if seeing their product as a sponsored post would change how he felt about the brand, participant 9 responded *“Yeah definitely because the knock-off try their best to look like the real deal so I don’t trust online ads at all”*. Male participants also found sponsored posts to take away from brand personality and authenticity. Participant 2 mentions *“I don’t like sponsored posts.... there’s a little bit of artificial inauthenticness about it”*. Although seemingly the males dislike sponsored posts for different reasons, there are similarities between their disapproval of sponsored posts with their disapproval of influencers content. These similarities are the lack of trust associated with both types of content and the loss of authenticity and exclusivity of purchasing products presented as influencer content or sponsored ads.

Female participants, on the other hand, were found to have a neutral response to sponsored posts, neither awfully positive nor negative. Participant 6 was introduced to her product through a sponsored post and when asked about her feelings towards the content, her response was focused on her admiration of the product. Female participants were even found to have a sense of understanding as to why brands may opt for sponsored ads. Participant 1 said *“You’ve got to get it out there somehow”* when asked how they felt towards paid ad posts. Participant 8 elaborates on this theme by saying *“I get it you have to get yourself out there and I would have been happy to see the comb as an ad because what if that was the only way*

I would have ever come across it and not seeing the ad meant I would never find the comb”.

This shows that females often have a neutral and understanding response to seeing sponsored posts whereas males react more negatively with less of a preference for sponsored posts when purchasing through Instagram.

4.5.3 Owned Content

Due to the way both genders engaged with social media where females did not follow many brand accounts and males usually exclusively followed brand account, males were far more likely to be exposed to owned content. Many of the male participants were found to be following the brand accounts they purchased from for a year or more. This means they prefer to interact with brands through owned media. Participant 4 who follows mostly brands said he does so to be informed about *“deals, competitions, new things that they've got happening or going on New arrivals and stuff”*. These are some of the main benefits for brands to produce earned content and this demonstrates that male consumers enjoy following brands to be informed about the brand and its offerings. Participant 2 said *“I just like the official source you know... I'm not impressed more by someone else”*, expressing their preference for owned content as opposed to paid or earned content. This demonstrates that for males, owned content is a means of authentic, uninterrupted interaction between the brand and the consumer. This is the preferred form of social media content for males and therefore, owned social media content impacts the customer experience positively for male consumers.

On the contrary, females did not often follow the brands they had purchased from and therefore their interaction with the brand was briefer and more transactional. Because of this, females were often exposed to new brands or products through paid or earned media instead of owned media since the Instagram algorithm requires users to follow brands in order to see owned content on their home feeds. Despite not being exposed to brands through owned

media, females would always find their way to brand accounts on Instagram before making a purchase. Often the reason for this would be to see what the brand was posting, how big of a following the brand had to assess the legitimacy of the brand and then finally to access the company website to make the purchase which is linked in the bio of all brand accounts on Instagram. Therefore, even though females were not exposed to owned content during the initial stages of their purchase journey, owned content was essential in impacting their customer journey during the purchase stage of their customer journey.

4.5.4 Earned Content

This theme of gender preferences for social media content impacting the customer experience found males and females to have different preferences for paid and owned content, although both genders had similar preferences for earned content. Despite both genders sharing a similar response to earned media, females would prioritise earned media more than males in their research process. In response to earned content, Participant 1 said, *“I’d say I look to find reviews quite a lot but I’m more concerned about photo reviews”*, and similarly participant 5 said, *“I usually don’t buy things and lists I see millions of reviews”*. This shows females would more proactively engage in seeking earned content to establish that perception of trust and reliability in the brand as mentioned in theme one. Earned content was often an essential part of the female customer journey to convince the consumer to make the purchase. On the other hand, although males responded positively to earned content as found in theme one, they did not go out of their way to seek earned content before making a purchase. In response to earned media, participant 2 said, *“Yeah, I’d like to see what they’re posting about”*, and similarly participant 9 said, *“I don’t usually look at reviews but since this was an expensive thing I wanted to make sure other people liked it”*. This shows that although males value the input earned media might bring to their consumer experience, they do not go out of their way

to investigate the quality and existence of earned social media content regarding the brand at hand. This means that earned media is an integral part of the consumer journey which more greatly impacts the customer experience of females as compared to males.

4.6 Concluding Summary

In conclusion, the findings of this research presented three key themes: a) perception of trust b) product value c) gender preferences. These themes demonstrate how paid, owned and earned social media content impact the customer experience although this will be expanded on in the discussion chapter to understand why this impact occurs.

Chapter 5: Discussion

5.0 Preface

This chapter interprets and discusses what the findings mean in relation to the research question. It does this by dividing the research question into three subsections of paid, owned, and earned media and how each type of social media content impacts the customer experience based on the themes which emerged from the findings chapter. It then synthesizes these subsections together to answer the research question of how paid, owned, and earned social media content impact customers experience.

5.1 Introduction

The aim of this research is to understand the influence of paid, owned, and earned social media content on the customer experience. This is important to understand as the growth of social media marketing has changed the customer journey, yet the effect of these changes have rarely been studied in relation to the customer experience. The positive or negative nature of the customer experiences can determine whether a consumer continues along their customer journey to make a purchase (Lemon & Verhoef, 2016). It also impacts customer loyalty and repurchasing behaviour which directly impacts revenue (Barsky & Nash, 2002). Therefore, understand what impacts the customer experience can allow businesses to market in a way which creates positive customer experiences to leverage business success.

This study elevates the research in the field of customer experience, by specifically exploring the impact of paid, owned, and earned media in the context of social media. The following research question was designed based on this research objective:

1) How does paid, owned and earned brand-related Instagram content impact the customer experience?

This research question is answered using a thematic analysis which presented three key themes: a) perception of trust b) product value c) gender preferences. These themes reveal meaningful insight into the effect each type of media has on the customer experience. The remainder of this chapter will explore how paid, owned, and earned media impact the customer experience based on the themes discovered in this research.

5.2 How does Paid Content Impact the Customer Experience?

Paid content is any form of media which has been paid for by a brand to be promoted (Burcher, 2021). Within social media, paid media can be found as influencer content and sponsored ads (Hanlon & Tuten, 2022). The findings show that paid media in the form of influencer content impacts how consumers perceive brand reliability. This is seen in theme one, where paid and earned media influence customer perception of trust. The presence of influencer content increased reliability and the absence of influencer content decreased reliability. These findings relate to the customer experience because customer perception of trust and reliability in a brand is a factor that impacts the customer experience. This aligns with previous literature where trust and credibility associated with influencer content increased the customer's purchase intention as a result of positive customer experiences (Ao et al, 2023). An explanation for this increased trust and reliability in influencer content can be the selective nature of which brands influencers choose to partner with. Literature found influencers to be more selective with the brands they partner with (Campbell & Farrell, 2020), and this could translate to influencers partnering with trustworthy brands. Therefore, consumers may associate brands with influencer content to be more reliable than brands who do not work with influencers. This also holds true to the findings in theme one which reveal that the influencer

should be considered reliable by the consumer in order for their content to increase the perception of reliability for the brand-related content. This is consistent with literature which mentions that customers need to have a high level of trust in influencers in order for influencers to persuasively communicate brand messages to consumers (Belanche et al, 2021). What this means for paid media is that influencer content, produced by influencers who are perceived to be reliable by consumers, will positively impact the customer experience. This is because the customer experience is impacted positively if customers perceive the brand to be reliable and trustworthy (Boateng, 2018).

What is new about this discovery is that this impact of influencer content increasing reliability is experienced mostly by female consumers. Theme three found differences in the way males and females perceive social media content and this included influencer content. Males were disinterested and responded negatively to influencer content whereas females were more thoughtful and open minded about positively receiving influencer content. This means if both themes one and three overlap, it reveals that influencer content increases the perception of trust and impacts the customer experience positively for female consumers. This is an interesting expansion of the customer experience literature because little has been known about gender preferences influencing how media is perceived and how these differences shape the customer experience differently for both genders. This study finds that females engage more positively in regard to influencer content and therefore are able to recognise trustworthiness in influencers and assess reliability which in turn impacts their customer experience positively. Since males were not found to react positively towards influencer content, they did not perceive influencer content as being reliable and therefore paid media in the form of influencer content negatively impacted their customer experience.

Similar to influencer content, this theme of differing gender preference for media can also be seen in the content of sponsored ad posts. The findings of this research revealed different responses to sponsored ads from male and female consumers. Female participants had

a neutral reaction to sponsored ads, with an unchanged response to content if seen in the format of a sponsored ad. Contrary to this, males had a strong and openly negative response to sponsored ads. The reason for this was that males did not perceive sponsored ads to be trustworthy as mentioned in the findings. Males also associated paid media (influencer content and sponsored ads) with inauthenticity and found paid media to threaten the exclusivity of owning the product. Therefore, paid social media content negatively impacted the customer experience of male consumers.

Literature on paid media demonstrates two opposing arguments for how consumers perceive influencer content and sponsored ads. Some research found influencer content to be a trusted source for marketing which is received positively by consumers (Belanche et al, 2021), while other research found consumers to show distrust and scepticism for influencer content (Hanlon & Tuten, 2022). Similarly, literature presents opposing arguments for how consumers perceive sponsored ads with some research preaching it is a seemly way of marketing online (Aydın, 2016), whereas other research argues that consumers are aware and irritated of sponsored post advertising (V et al, 2021). This study brings clarity to these opposing responses to paid media by discovering the role gender preferences play in perceiving social media content. This research makes a theoretical contribution to social media marketing literature by offering a possible explanation as to why some consumers respond more positively to paid media than others. This is because this research found that female consumers react positively to paid media which impacts their customer experience positively whereas male consumers react negatively to paid media which impacts their customer experience negatively.

Another theme that shed light on paid media was the findings of theme two which found that apart from gender preferences, the value of the product also impacted how consumers responded to the media. Female consumers were found to consider influencer content as an important decision-making factor when making a high-value purchase. Although there

is existing literature to show that consumers do more research before purchasing high-value products (Srinivasan, 2014), there has been little research indicating that influencer content contributes to the decision-making of high-value products. Our findings show that purchase journeys change between high-value and low-value products as customers pay more attention to influencer content when making a high-value purchase. A reason for this could be that influencer content is deemed reliable by consumers and therefore when making a high-value purchase, consumers ensure reliability with the presence of influencer content. This aligns with current literature following the decision-making process of high-value products, where brand credibility and reliability are important for establishing purchase intention (Zhou et al, 2023).

5.3 How does Owned Content Impact the Customer Experience?

Understanding how consumers react and respond to owned content can help answer how owned content impacts the customer experience. Similar to paid media, owned media also impacted male and female consumer experiences differently. Male consumers primarily follow brand accounts and therefore are exposed to more owned content than females. Male consumers are exposed to sales, promotions, and new product launches in real-time as a result of following brand accounts. Owned content was considered the most authentic source of media regarding a product or brand for male consumers. Females were often found to not be following brands that they had purchased from and even after making the purchase did not choose to follow these brands on Instagram. This means females are less likely to organically be exposed to owned content. Despite this, females were redirected to owned media content as the company website is always found on the brand's Instagram. Therefore, although owned content may not have contributed greatly to shaping female consumer's perception of the brand, owned media was essential for guiding the consumer along their purchase journey.

The concept of consumer relationships within current literature can explain the different relationships males and females have to owned media. This concept identified four types of consumer relationships which can emerge from brand interactions, including transactional customers, delighted customers, loyal customers, and fans (Sashi, 2012). Here, loyal customers and fans are consumers who follow and keep up to date with owned content. These consumers end up making purchases from a brand due to their love and admiration for the brand. In this study, it can be said that males are loyal customers and fans because they actively follow and regularly engage with owned content. Females, on the other hand, can be identified as transactional and delighted customers since they enjoy a short-term transactional relationship with a brand without staying to build a long-term relationship. This concept of consumer relationships with brands does not disregard females as being unable to build long-term relationships with brands (Sashi, 2012), although this study suggests that in the context of social media, females do lean towards being transactional and delightful customers whereas males are often loyal customers and fans.

Based on these findings, how owned content impacts the customer experience is different for male and female consumers. Females are transactional customers and because they hardly follow brand accounts on Instagram, they are not often introduced to brands or products through owned media. Therefore, owned media does not impact the female customer experiences in the pre-purchase stage of their customer journey. Males on the other hand, are loyal customers who find owned content to be the most authentic and trustworthy form of social media content. Therefore, owned media positively impacts the male customer experiences in the pre-purchase stage of their customer journey.

5.4 How does Earned Content Impact the Customer Experience?

The abundance of earned media content is what makes social media a more unique marketing platform compared to traditional marketing methods. Understanding how consumers perceive

earned content can help answer the question of how earned content impacts the customer experience. The findings revealed that similar to paid media, earned media also impacted brand reliability. Consumers would perceive a brand to be more reliable in the presence of earned media and this was true for both male and female consumers. Unlike paid media, male consumers reacted more positively to seeing earned media in most cases, although not many males actively searched for earned content before making a purchase. Females however were active seekers of earned content, often refraining from making a purchase unless significant earned content was viewed. This earned content on social media is often seen as a form of customer photo review, allowing potential consumers to analyse the visual product features. Earned content also allows consumers to gauge whether the former customer has had a positive or negative experience with the brand and this knowledge is an important consideration when making a purchase decision. This aligns with existing literature where Ing and Hakimey (2013) found that 70% of consumers trusted online earned media when making purchase decisions. Although there is limited literature to support these findings of earned social media content impacting brand reliability in a social media content, there is literature to show that customer reviews impact brand reliability (K & Upadhyaya, 2022). Research shows customer reviews to have many positive benefits for building trust, and credibility and increasing the purchase intentions for consumers (K & Upadhyaya, 2022). The findings of this study are able to show that these benefits remain true for customer reviews (earned content) made on social media. Because trust is a factor which influences the customer experience positively, this means that earned media content will positively impact the customer experience.

Another way earned social media content impacts the customer experience is by changing the way consumers perceive high-value products. In theme two of this research, product value impacts how media is perceived and earned content was found to have a negative impact on the customer experience as consumers found the presence of earned content to diminish the exclusivity of high-value products. These findings share similarities to how paid

media was perceived negatively when contemplating a high-value product. It is recognised that earned media can be both of a positive or negative nature, in which case negative earned media content is unsurprisingly going to negatively impact consumer experience. This is because consumers will lose trust and reliability in brands that have other customers speaking negatively about them online. This finding is not new to research as many studies have found negative earned media to impact consumer experience negatively (Stephen & Galak, 2012). What is different about the findings of this research is that in the case of high-value products, even positive earned content was found to impact the consumer experience negatively. It is found that earned content threatens the exclusivity of owning the product and therefore the absence of earned content is preferred when marketing high-value products. This is consistent with research surrounding the purchasing behaviour of high-value products as product exclusivity is an important factor for driving interest in high-value purchases (Wang, 2022). This research expands on current literature by discovering earned social media content diminishes the exclusivity perceived by consumers therefore driving a disinterest for high-value purchases.

Understanding how earned social media content impacts the customer experience is circumstantial based on the value of the product at hand and the gender of the consumer who is determining the importance of earned content as part of their decision-making process. The findings for this section reveal similarities between paid and earned media as they both can positively impact the customer experiences through the increased perception of trust consumers associate with this content. There are also similarities between how paid and earned media negatively impact the perception of high-value products. This means that to utilize earned media for creating positive customer experiences, the value and target market of the product will determine to use and impact of earned media on the customer experience.

5.7 Concluding Summary

In conclusion, the discussion chapter interpreted the meanings of how paid, owned, and earned media impact the customer experience. Paid media impacted the customer experience by influencing customers perception of trust and reliability in a brand. Customer perception of trust increased for females with paid media although this perception of trust decreased for males. Owned media had a bigger influence on the customer experience of males in comparison to females due to the difference in how both genders engage is social media. Lastly, earned media shared similarities with how paid media impacted the customer experience. Regardless of the similarities and differences shared by paid and earned media, the theoretical contributions and practical implications of this content are different and will be outlined in the final chapter of this dissertation.

Chapter 6: Conclusion

6.0 Preface

The purpose of this final chapter is to make conclusions based on the findings and discussion of this research. This chapter will explore the theoretical contributions of this study by discussing how this study expands on existing literature. It also recognises the practical implications of this research for both businesses and consumers. This chapter then discusses the limitations of this study and how this paves way for future research.

6.1 Theoretical Contributions and Practical Implications

This study fills the research gap within the customer experience literature by answering how paid, owned, and earned social media content impact the customer experience. The findings presented three key themes: a) perception of trust b) product value c) gender preferences. These themes find that paid and earned media impact the customer experience positively for female consumers and owned content impacts the customer experience positively for male consumers. It was also found that paid and earned media diminished the exclusivity associated with owning high-value products. This implies that factors such as the value of the product and gender of the target audience for the product should be considered when using paid, owned, and earned social media content to create positive customer experiences. Since male consumers have positive customer experiences by following brand accounts and engaging in owned content, businesses who target male consumers should focus marketing campaigns on encouraging consumers to follow brand accounts. It was found that male consumers are loyal consumers and fans and therefore the marketing focus for a male target audience should be to build a sense of authenticity and community on your brands social media. Since paid media does not positively impact the customer experiences of male consumers, marketers should not

prioritise paid media for male consumers. For brands who target female consumers, paid media, specifically influencer content, should be focused on to increase the consumers perception of trust and reliability in the brand, influencing the customer experience positively. Similarly, marketing campaigns should encourage customers to post reviews on social media as this sort of earned media also increases trust for potential consumers. These findings also carry practical implications from brands selling high-value products. Such businesses should not try to promote earned or paid media since these are found to negatively impact the customer experience for high-value products. Brands should instead prioritise owned media as this increases authenticity without threatening the element of exclusivity consumers like to associate with owning high-value products.

Although this research presents many beneficial practical implications for marketing working within social media, this study also makes value contributions to existing literature in the field of social media marketing and the customer experience. This research makes a theoretical contribution to social media marketing literature by offering a possible explanation as to how consumers perceive different forms of media. The concept of paid, owned, and earned media has existed within marketing literature for some time. Although literature understood the role that these three forms of media are intended to play in the consumer journey, not much had been known about how this media was perceived by consumers. Expanding social media marketing literature by understanding how consumers perceive social media content has allowed marketers to utilise the practical benefit of this research. This research also makes an overarching theoretical contribution to the customer experience literature by understanding how the customer experience is impacted by social media which hosts a growing number of consumer-brand interactions.

6.2 Limitations and Future Research

Immune to perfect research design, this study has its own set of research limitations which will be addressed in this section. These limitations include 1) time and cost constraints 2) sample size and representativeness and 3) subjectivity and researcher bias. Although no study is flawless, it is important to identify the limitations of the study and understand how this may impact the validity of the findings and the conclusions of this research.

Firstly, being a master's dissertation, time and resource constraints have limited the scope of this research. These time and resource constraints limited the study's sample size to ten participants. Research design suggested that the larger the sample size the generalizability of the findings of the research become stronger (Flick, 2013), although in saying this, the goal of a qualitative study is not to produce generalisable results. The intention of a qualitative study is to explore the lived experiences of individuals at a moment in time and therefore what matters more is the representativeness of the sample size. Despite limitations in the sample size, this study selected interview participants who were knowledgeable about the research topic and therefore the data collected from these interviews are representative of the consumers of the research topic. This was done by establishing a selection criterion requiring participants to be between 18-35 years of age, living in Auckland and having purchased something from Instagram within the last 6 months. Recruiting participants who fit this selection criterion enabled meaningful in-depth interviews with existing consumers who have made purchase decisions through social media, ensuring the representativeness of the sample size.

Time and cost limitations also limited the scope of the research as all variables of the customer experience could not be explored. The literature recognises the customer experience as the consumer's reaction to brand interactions and this experience is built and can change throughout the customer journey (Lemon & Verhoef, 2016). To more accurately capture the effect of paid, owned, and earned social media content on the customer experience, the study could have been carried out using a longitudinal time horizon to account for the consumer journey. Due to the time limitation, the study was carried out using a cross-sectional time

horizon and multiple rounds of interviews could not take place to see how the customer experience changes over time. This limitation paves the way for future research to expand on this study and investigate how paid, owned, and earned social media content impacts the customer experience through different stages of the consumer journey. This will allow businesses to understand where within the customer journey each type of media has the most positive impact on the customer experience.

Another research limitation to address for this study is subjectivity and research bias. Subjectivity means that one researcher may interpret and extract different themes and concepts from the data to be more dominant than others (Flick, 2013). This research recognises that although the participants were not known to the researcher prior to the study, there is still an interpersonal relationship that occurs during data collection. There is a possibility that the researcher, as someone who also uses and purchases through Instagram, could untunefully have influenced the responses of the participants in this study. This can mean that if the research were to be carried out by another researcher, the findings of this research could have swayed a little differently. Despite this, the research design accounts for this limitation, reminding the researcher to be aware that such a bias may exist and this awareness during the data collection and analysis process can reduce the impact of research bias on the findings of the research.

6.3 Conclusion

In conclusion, this chapter highlighted the theoretical contributions and practical implications of this study. This research is able to help businesses shape their social media marketing campaigns to account for customer perception of social media content and how this may impact the customer experience. This chapter also discussed the limitations of this research, including the impact of time and resource constraints, representativeness of the data and researcher bias. Despite these limitations impacting the scope of this research, there is still room to

expand on the customer experience literature with future research by understanding how this experience can change over the course of the customer journey.

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Appendices

Appendix A – Interview Guide

Effects of Social Media Content on Customer Experience:

Interview Guide

Research Objective: This research aims to understand how paid, owned and earned brand-related Instagram content impact customer experience. The literature reveals gaps in understanding how social media touchpoints impact customer experience and filling this gap could support novel thinking about the way in which social media marketing is conducted. To answer the research question, a qualitative research method is adopted and a sample size of 10 participants who have recently made an online purchase through Instagram will be interviewed about their Instagram purchase journey. The findings of this research aim to assist managerial decision-making surrounding social media marketing budget allocations and strategies.

Interview: Semi-Structured

Section 1: Introduction to Instagram content (5 mins):

For our time together today, we are going to build an understanding of your experience of engaging and interpreting Instagram content.

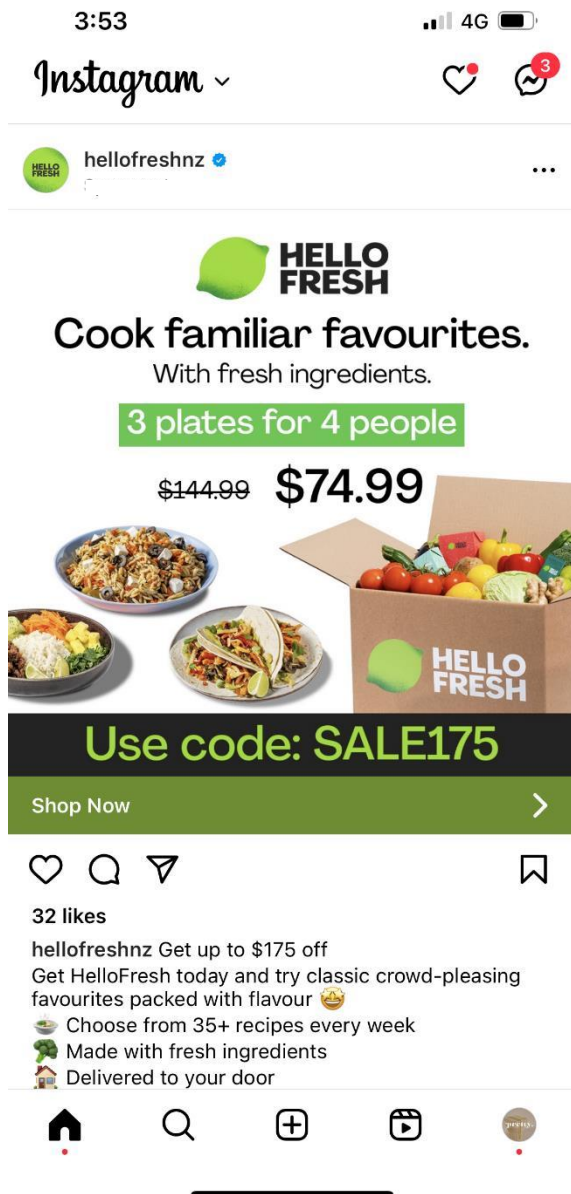
For the purpose of this research we are looking at 3 types of Instagram content; paid, earned and owned. Here we have some visual examples for each one.

Example visuals: Paid, earned and owned.



Earned Content:

- Tags the brand or Hashtags the brand in caption.
- No #ad or #sponsored or #collab
- The post is not posted by the brands account.
- This account has chosen to post about the brand which makes it an earned content.



Owned Content:

- The post has been posted from the brands account.
- The post does not say sponsored and therefore is not an ad running on Instagram.
- Therefore this is classified as owned content.

3:54

4G



hello fresh



courageouslynavigating
Lethbridge, Alberta

Follow



206 likes

courageouslynavigating [#ad](#) As a stay at home mom during the busy holiday season, meal planning and prep can be a real struggle. So give the gift of stress free meals to yourself! That's where Hello Fresh comes



Paid Content:

- This post has #ad in the caption.
- It is not posted by the brand.
- This makes this a paid content because the account posting the content has been paid to do so.

Section 2: Questions (50 mins)

Let's start off with some general questions:

- 1) What are your favourite reasons for using Instagram?
- 2) On a weekly basis, how much time would you say you spend on Instagram?
- 3) We know a criterion for taking part in this research was to have purchased something from Instagram within the last 6 months. How many products and brands would you estimate having purchased through Instagram within the last 6 months?

Now let's discuss your experience of purchasing on Instagram:

- 1) What is a brand/s you have purchased from through Instagram within the last 6 months?
 - Which sort of products or services does this brand offer?
 - What did you purchase from them?
 - Was this a product/service you were actively looking for prior to seeing it on Instagram?
- 2) How were you first introduced to this brand on Instagram? This could be an Instagram story, reel, post, ad etc.
- 3) How did you feel about the brand-related content you were exposed to?
 - What aspect of this content captured your attention? Why?
- 4) Did this content make you perceive this brand as a reliable or nonreliable brand to purchase from? Why or why not?
- 5) If you were to have seen this brand-related content in a paid/owned/earned context, would it change how you felt about the brand? Why?
 - Probing questions: Tell me more about..., What do you mean when you say...



Participant Information Sheet

Date Information Sheet Produced:

06/05/2023

Project Title

The influence of paid, owned and earned social media content on customer experience.

An Invitation

I, Bhavina Singh, would like to invite you to participate in this study for the Master of Business Dissertation research programme.

What is the purpose of this research?

This study is being conducted to explore how paid, owned and earned social media content can impact customer experience. You do not need any prior knowledge of these topics in order to participate. We are also interested in more general views about your thoughts and experiences with consuming social media content, specifically on Instagram. Understanding the way people view social media content is important and studies such as this allow companies to fulfil your needs and meet your expectations when marketing on social media.

How was I identified and why am I being invited to participate in this research?

We invite you to participate in one of our interviews if you:

- are aged between 18 - 35 years old
- are currently a resident of Auckland, New Zealand
- Have purchased something seen on Instagram within the last 6 months.
- consent to being audio recorded while you participate in an interview.

How do I agree to participate in this research?

This Participant Information Sheet sets out details of what is involved, who will be involved, details of your reimbursement, important information about the security of your personal details and audio recordings of your involvement and provides contact details for more information. Before you decide to take part, you may want to talk about the study with other people, such as family or friends.

Your participation in this research is voluntary (it is your choice) and whether or not you choose to participate will neither advantage nor disadvantage you. You are able to withdraw from the study at any time. If you choose to withdraw from the study, then you will be offered the choice between having any data that is identifiable as belonging to you removed or allowing it to continue to be used. However, once the findings have been produced, removal of your data may not be possible.

To agree to participate in this study, please email the researcher Bhavina Singh at bhavinabharti@gmail.com. You will be sent a consent form to fill out, after which your enrolment in this study will be confirmed.

What will happen in this research?

If you agree to participate, you will be invited to attend a one-on-one interview with myself, Bhavina Singh the researcher, in Auckland. The interview will take place in English. This face-to-face interview will be conducted at one of the following locations:

- AUT City Campus, Library Study Rooms, WA
- AUT South Campus, Library Study Rooms

The session will last no longer than 70 minutes.

In the interview, you are encouraged to share your views and thoughts openly on various topics regarding social media, Instagram, features, visuals and engagement. There are no right or wrong answers. We would like to audio record the interview so that we can accurately capture what you tell us. The recording of the interview will be

transcribed into writing using an automated transcription tool. Your contribution is extremely valuable to us and we greatly appreciate your time and views.

What are the discomforts and risks?

If for any reason you feel uncomfortable and do not wish to continue, you can choose to leave the study.

What are the benefits?

Upon the completion of the interview, you will receive a \$20 gift card as appreciation for your time and efforts in participating in the study.

How will my privacy be protected?

You own the information that you provide to us in this study, and you have the right to access this information at any time.

Following the interview, the audio recording will be securely stored and your identity will remain confidential. All physical records will be stored securely at AUT, (Auckland, New Zealand) and all digital materials will be kept on an external memory stick which is locked away at AUT, for a period of 6 years and then destroyed.

Any information that could potentially identify you will be kept confidential and will never be shared outside of our research team. We may use your quotes in reporting or publications, however anything that could possibly identify you will be deidentified. Your data will only be used for the purposes of this specific project.

What are the costs of participating in this research?

There is no cost to you to participate in this research. You may withdraw from the study at any time without giving a reason during the interview.

What opportunity do I have to consider this invitation?

You have 2 weeks' time since receiving this information sheet to consider this invitation.

Will I receive feedback on the results of this research?

A one-page summary of the findings of this study will be provided to you once the research is complete. This summary will be emailed to you at the email address you provide when accepting participation and completing a consent form.

What do I do if I have concerns about this research?

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Amy Errmann, amy.errmann@aut.ac.nz

Concerns regarding the conduct of the research should be notified to the Executive Secretary of AUTC, ethics@aut.ac.nz, (+649) 921 9999 ext 6038.

Whom do I contact for further information about this research?

Please keep this Information Sheet and a copy of the Consent Form for your future reference. You are also able to contact the research team as follows:

Researcher Contact Details:

Bhavina Singh, bhavinabharti@gmail.com

Project Supervisor Contact Details:

Amy Errmann, amy.errmann@aut.ac.nz

Approved by the Auckland University of Technology Ethics Committee on *type the date final ethics approval was granted*, AUTC Reference number *type the reference number*.



Consent Form

Project title: The effect of paid, owned and earned social media posts on customer experience

Project Supervisor: Amy Errmann & Yingzi Xu

Researcher: Bhavina Singh

- ☐ I have read and understood the information provided about this research project in the Information Sheet dated 22/05/2023.
- ☐ I have had an opportunity to ask questions and to have them answered.
- ☐ I understand that notes will be taken during the interviews and that they will also be audio-taped and transcribed.
- ☐ I understand that taking part in this study is voluntary (my choice) and that I may withdraw from the study at any time without being disadvantaged in any way.
- ☐ I understand that if I withdraw from the study then I will be offered the choice between having any data that is identifiable as belonging to me removed or allowing it to continue to be used. However, once the findings have been produced, removal of my data may not be possible.
- ☐ I agree to take part in this research.
- ☐ I wish to receive a summary of the research findings (please tick one): Yes ☐ No ☐

Participant's signature:

Participant's name:

Participant's Contact Details (if appropriate):

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.....

Date:

Approved by the Auckland University of Technology Ethics Committee on 22nd May 2023

AUTEC Reference number 23/108

Note: The Participant should retain a copy of this form.