Abstract

Purpose: The aim of this paper is to investigate how firm-generated content (FGC) impacts consumer brand awareness, brand loyalty, and electronic word of mouth (eWOM), and how this, in turn, influences consumer purchase intention.

Design: In order to test this conceptual framework, statistical analysis was carried out employing structural equation modelling.

Findings: The findings indicate that FGC has a positive impact on brand awareness, brand loyalty, eWOM and purchase intention. Furthermore, the results reveal that a link exists between consumer eWOM behaviour and brand awareness and loyalty. This study also demonstrates that company communication through Facebook and Instagram has a positive effect on consumer purchase intention. Finally, it has been shown that, regarding eWOM and purchase intention, firm-generated content posted on Instagram has a greater impact on its users than that posted on Facebook.

Originality: Consumer purchase intention is increasingly impacted by the growing use of social media (SM) by companies and marketers. This changing environment has opened up new challenges. However, there is still much work to be done in understanding the full effects of firm-generated content communication, and how this influences consumer brand perception and purchase intention.

1. Introduction
Social media users have access to a huge amount of information, but nowadays they have too much information and no time to process it (Chen et al., 2011; Kim and Ko, 2012). Social media also offer consumers opportunities to post any type of information (Hutter et al., 2013), allowing them to write, edit and share what they have created (Bruhn et al., 2012; Monica and Balas, 2014). The growth in social media has allowed consumers to communicate not only with other consumers, but also directly with companies (Mangold and Faulds, 2009). Therefore, the role of the consumer’s interaction with a company’s social media output has changed from passive to active (Bruhn et al., 2012). User-generated content (UGC) has become a new source of valuable information not only for other consumers but also for firms (Merz et al., 2009). This power shift has resulted in brands no longer possessing the only channel of communication (Schivinski and Dabrovski, 2016). This implies that their overall control of online content has diminished as they can no longer control consumer input (Mangold and Faulds, 2009).

Social media platforms, such as Instagram and Facebook, are becoming evermore active as conduits for brands to post information about their products, and for consumers to investigate in order to confirm their intuitive buying decisions (Bruhn et al., 2012; Hinz et al., 2011; Mangold and Faults, 2009). According to Hutter et al. (2013), social media networks have become the key for delivering a successful brand experience. Firm-generated content (FGC) helps companies to create, maintain and strengthen their relationships with their target consumers. At the same time, it can be seen to have a strong positive effect on sales and, hence, profits (Bjia and Balas, 2014; DeVries et al., 2012). In addition, this new source of information also contributes to building the popularity of a brand (Rodriguez et al., 2012; Yan, 2011).

Areas of research interest include electronic word of mouth (eWOM) (See-To and Ho, 2014), firm-generated content (Kumar et al., 2016; Wu, Chen and Chung, 2010), user-
generated content (Hautz et al., 2014; Smith et al., 2008) and social media advertising (Dessart et al., 2015; Divya and Bulomine-Regi, 2014; Mangold and Faulds, 2009). Previous studies in this field have generally focused on UGC (Balakrishnan et al., 2014; Chi, Yeh and Yang, 2009; Erdoğanuş and Çiçek, 2012). As consumers are becoming more dependent on social media when it comes to buying products or services, firms need to realise that providing content online will have an impact on their purchase intention (Barreda et al., 2015).

Despite the growth of empirical research, there is still much to be discovered about how company-created social media content impacts consumer perception and purchase intention (Kumar et al., 2016; Schivinski and Dabrowski, 2014). As this communication is controlled, and can be manipulated, by the company or brand, it is of fundamental importance to fully understand its impact. In order to shed some light on this, the paper aims to analyse the influence of FGC on brand awareness and brand loyalty, which are two crucial determinants of purchase intention. The impact of FGC on eWOM, a significant variable which strongly influences consumer willingness to buy, is another gap in the existing literature (Balakrishnan et al., 2014; Kudeshia and Kumar, 2017; Moran and Muzellec, 2017; See-To and Ho, 2014). Consequently, this paper will also focus on the effects of FGC on eWOM.

To summarise, this study aims to add to the growing literature on FGC and the impact it has on branding. Some company managers are yet to be convinced that firm-generated content has a positive effect on profitability. Furthermore, this study will present insights into the effects of FGC on purchase intention when content is communicated through two of the most popular social media platforms: Instagram and Facebook.

2. Literature Review
2.1. Usage of Firm-Generated Content

The literature indicates that consumers perceive information on social media as being more reliable than that delivered through traditional marketing communication channels (Al-Garadi et al., 2016; Karakya and Ganim, 2010; Swain and Cao, 2014; Zhang et al., 2016). Therefore, social media should be recognised as a vital element in any marketing communication strategy, and a key player in any type of brand activity (Hutter et al., 2013; Monica and Balas, 2014).

The flexibility of social media allows brands to create content in a range of forms, and to disseminate it through different platforms. This process is known as firm-generated content (FGC). It is best described as the communication of information, in any form, created by firms to be shared directly through their official social media pages (Daiya and Roy, 2016; Kumar et al., 2016; Laroche, Habibi and Richard, 2013). It is used to present products on the Internet with the expectation that brand visibility will be enhanced (Akar and Topçu, 2011). The aim of this process is to open a pathway of communication between the brand and an emerging market in the form of new customers; it also aims to offer topics for conversation that may engender relationships between the brand and its new consumers, as well as between the consumers themselves (Ceballos et al., 2016; Gensler et al., 2013).

It is necessary to clarify the difference between firm-generated content (FGC) and user-generated content (UGC). FGC is communication under the control of a brand, whether that be a brand representative or a marketer (Bruhn et al., 2012). User-generated content (UGC) is communication created directly by the users. Thus, it is beyond the control of the brand (Schivinski and Dabrowski, 2016). It is important to note that FGC relies on consumer response in a range of formats: consumers may ‘like’ the FGC and may be invited to write comments or share the posts. According to consumers’ positive or negative responses to content, brand evaluation may be boosted or diminished (Ceballos et al. 2016; Kumar et al.
FGC receptivity considers UGC within social media, while susceptibility measures customer predisposition towards interaction with these media. Recent studies have focused on defining the various ways in which brands engage with customers using social media platforms (Danaher and Dagger, 2013; Schulze et al., 2014).

Brands see social media as a new powerful sphere of direct communication with their customers. Customers use social media as more than a mere means of purchase, involving it in the wider context of their daily lives, and the potential of this form of communication is there to be exploited (Hutter et al., 2013; Weller, 2016). Therefore, marketers need to understand how FGC impacts consumer behaviour, and to develop insights into how consumer impressions and behaviour are affected by how brands present themselves (Balakrishnan et al., 2014; Ceballos et al., 2016).

2.2. Creating brand awareness

Brand awareness can be best described as the strength of presence in the consumer’s head, and it basically measures how well a consumer can recognise and recall a product or service in various contexts (Aaker, 1996). Recognition of a product is best demonstrated by consumers being able to distinguish a brand among other brands, with recall being defined as the consumer’s ability to remember a product’s name and logo (Keller, 2008). Brand awareness is the presentation of a brand in a range of ways that gives rise to a brand experience – for example, through advertising (Bruhn et al., 2012). Firm-generated content is considered a purchase motivator since it brings into existence the brand itself, through brand-related posts that users encounter on social media platforms.

According to Yoo et al. (2000), brand awareness is enhanced though marketing communication if it leads to overall user satisfaction. According to Bruhn et al. (2012), social media brand communication has a positive impact on brand awareness, but traditional forms
of media are more influential. Previous research has indicated that brand activity on a brand’s Facebook page has a strong positive correlation to consumer brand awareness (Hutter et al., 2013). Barreda et al. (2015) and Schivinski and Dabrowski (2016) studied brand awareness and the positive influence of different social media profile elements. Based on these studies, FGC can be considered as having a strong positive impact on brand awareness. Thus, our first hypothesis is:

\[ H_1: \text{FGC on social media has a positive impact on brand awareness.} \]

2.3. Creating brand loyalty

Brand loyalty is defined as the consumer’s selection of one brand over other brands (Yoo and Donthu, 2001). This selection should be their first choice, and they should not consider buying another brand at any point (Aaker and Keller, 1990). According to Chi et al. (2009), loyalty has been set when a brand cannot be replaced in a consumer’s head (Chi et al., 2009). Brand loyalty is demonstrated through consumers selecting their preferred brand based on satisfaction with it, as well as rejecting alternative brands (Yoo and Donthu, 2001). Brands achieve brand loyalty when they become irreplaceable and irresistible in the mind of consumers (Chi et al. 2009).

One of the main goals of brand managers is to build and maintain brand loyalty (Yoo and Donthu 2001), since this increases sales revenue and market share (Schivinski and Dabrowski, 2016). Brand loyalty reflects the affective state of loyal consumers as they hold their strong preference towards a brand through conviction. This, in turn, leads to the final step of purchase and repurchase (Erdoğanuş and Çiček, 2012). In their research, Yoo et al. (2000) concluded that the amount of advertising budget spent is positively associated with brand loyalty through triggering associations with the brand. Bruhn et al. (2012), in their research, concluded that there is a positive correlation between peer communication and
brand loyalty inside the context of brand communities (Bruhn et al., 2012; Schivinski and Dabrowski, 2016). Other studies examining participation within a brand community and its effect on brand loyalty presented the same results (Brogi et al., 2013; Laroche et al., 2013). A similar positive relationship shows that firm-generated content in different social media platforms is an important driver of brand loyalty, as it has a significant impact on consumer engagement (Erdoğan and Çiçek, 2012). As a result, the second hypothesis can be formulated as follows:

\[ H_2: \text{FGC on social media has a positive impact on brand loyalty.} \]

2.4. eWOM

Word of mouth can be described as passing product-focused information to other consumers (Akar and Topçu, 2011). When this happens in the electronic environment, it is known as electronic WOM (eWOM). At this stage, it is important to differentiate between eWOM and UGC. Although there has been some confusion in the past, the difference is quite clear: content generated by users is UGC, whereas content conveyed by users is eWOM (Cheong and Morrison, 2008; Chu and Kim, 2011; Smith et al., 2012). For example, a video that is generated and posted by users on Instagram is UGC. On the contrary, when users send their friends a link to an Instagram page are engaging in eWOM. It should be noted that content can be both UGC and eWOM in cases where it has been generated by users and then conveyed by them.

Studies on brand loyalty and eWOM have shown that brand loyalty drives communication among consumers (Hutter et al., 2013). Balakrishnan et al. (2014) concluded that online marketing communication has a positive impact on brand loyalty among Generation Y. This has also been supported by various researchers (Erdoğan and Çiçek, 2012; Gruen et al., 2006; Severi, Choon Ling and Nasermoadei, 2014) within the context of
social media, where eWOM has a positive impact on brand loyalty and, beyond that, brand awareness. However, Samson (2010) claimed that brand loyalty decreases the effectiveness of WOM, while a lack of brand loyalty increases it. This study, therefore, offers some evidence that the best targets of WOM marketing campaigns are not always loyal users. According to Gruen et al. (2006), eWOM is quite similar to WOM and could potentially lead to higher levels of credibility since the sources of information are other users and not the firm itself.

Brand awareness is a key brand characteristic (Aaker, 1996) and has been shown to impact eWOM (Liao et al., 2012), which is acknowledged as a critical component of online consumer behaviour (Godey et al., 2016). The development of innovative forms of eWOM communication has followed the development of different online communication platforms (Hutter et al., 2013). Most studies reveal a positive relationship between eWOM and brand awareness (Barreda et al., 2015; Zhu and Zhang, 2010; Schindler and Bickart, 2012). Thus, the following hypotheses can be proposed:

$$H_{3a}: \text{Brand loyalty has a positive impact on electronic word of mouth.}$$

$$H_{3b}: \text{Brand awareness has a positive impact on electronic word of mouth.}$$

To the best of our knowledge, no research on the association between FGC and eWOM has been carried out. However, previous studies analysing the impact of social media networks on eWOM, and vice versa (Kozinets et al., 2012; Thorson and Rodgers, 2006), suggest a positive association between the variables. This leads to the following hypothesis:

$$H_{3c}: \text{FGC has a positive impact on electronic word of mouth.}$$

2.5. Purchase Intention

According to Yan (2011), purchase intention is defined as the moment when a consumer has reached the conclusion that he/she is definitely going to by a specific product. Kim and Ko
(2012) conclude that purchase intention is best described as an amalgamation of interest and action. Purchase intention describes the last step of the buying process, where consumers arrive at an intention to buy a particular brand product (Grewal et al., 1998).

According to Kumar et al. (2016), FGC has a strong positive impact on purchase intention. Other researchers (Zhu and Zhang, 2010; Hutter et al., 2013; Kudeshia and Kumar, 2017) support this position of a positive relationship existing between brand social media content and economic outcomes. Balakrishnan et al. (2014) have found that social media users are positive about the fact that FGC can initiate and enhance purchase intentions. Goh et al. (2013) showed that engagement in social media brand communities was often followed by a positive increase in purchase expenditures. However, they also pointed out that, overall, UGC has a stronger impact on consumer purchase behaviour than FGC. Based on the above, the following hypothesis can be stated:

\[ H_{4a}: FGC \text{ has a positive impact on consumer purchase intention.} \]

A very important element for a firm to increase sales performance and charge a premium price, while at the same time maintaining its customer base and recruiting new ones, is brand loyalty (Malik et al., 2013). Through consistently re-buying or re-patronising a preferred product, consumers can initiate a process of repurchasing (Huang and Huddleston, 2009). At the same time, their decision to purchase the same product can be strongly influenced by brand loyalty (Tolba, 2011; Chi et al., 2009; Grewal, Monroe and Krishnan, 1998; Luarn and Lin, 2003).

If a marketing strategy employed by a firm results in increased levels of brand awareness, then an increase in the purchase of that brand should follow (Sasmita and Mohd-Suki 2015). Various researchers (Chi et al., 2009; Huang and Sarigöllü, 2012; MacDonald
and Sharp, 2000) support these results in stating that brand awareness is crucial when it
comes to the actual intention to buy. Thus, we can hypothesise that:

\[ H_{4b}: \text{Brand loyalty positively impacts purchase intention.} \]

\[ H_{4c}: \text{Brand awareness positively impacts purchase intention.} \]

Bailey (2004) concluded that eWOM has a positive effect on purchase intention,
whereas Alboqami et al. (2015) confirmed that negative eWOM has the opposite effect. At
the same time, various researchers (Balakrishnan et al., 2014; Goldsmith and Horowitz, 2006;
See-to and Ho, 2014; Xia and Bechwati, 2008) showed that eWOM has a greater effect on
purchase intention than any other communication activity. Thus:

\[ H_{4d}: \text{Electronic word of mouth positively impacts purchase intention.} \]

Yet, according to Yang (2012) and Moran and Muzellec (2017), not all eWOM
generated on social media has the same effect on consumer purchase intention; the level of
impact may vary.

2.6. Conceptual Framework

The following conceptual framework (see Figure 1) has been constructed based on the
literature. This construction of FGC not only depicts the attempts of a firm to create
meaningful content, but also goes towards revealing the role of eWOM in the process and the
underlying mechanisms that may contribute to the observable effects of FGC.

\[ \text{INSERT FIGURE 1 HERE} \]

3. Methodology

3.1. Design and collection of data
In order to create and validate our questionnaire, the first step taken was to conduct an exploratory qualitative study based on the extensive literature review described in the theoretical framework of this paper. A small focus group was formed, comprising five marketing communication academics and five social media communication practitioners. These were carefully selected based on their expertise in this area of research. They were interviewed, and their answers were subjected to content analysis using established qualitative data analysis techniques (Churchill, 1979). According to Churchill (1979) this method is normally applied when the formulation of construct domains is required, while an examination of the validity of existing and adapted norms, along with an assessment of the nomological validity of the conceptual model, is recorded. Based on the findings of the analysis, a draft questionnaire was drawn up, which was then pre-tested with six digital marketing communication specialists experienced in FGC so as to ensure content validity (Fraenkel and Wallen, 2000). This procedure led to the rephrasing of seven items, based on their suggestions. The questionnaire was then distributed electronically.

The electronic questionnaire is able to eliminate human error at the data-entry level (Evans and Mathur, 2005; Ilieva et al., 2002). By creating awareness and providing secure access, any potential bias in coverage is minimised (Solomon, 2001). The target population chosen for this study comprised students in the UK aged 18–24. When considering the levels of social media usage in the UK, a trend is clearly identifiable. More than a quarter of the UK’s population logged onto Instagram at least monthly by the end of 2017 (Ofcom, 2017). In total, 16.7 million people were regular users of the platform, an increase of almost 35% over 2016. Facebook, with an estimated 32.5 million users for 2017, remains the most popular social network in the UK (Ofcom, 2017). However, it is losing market share to Instagram among younger age groups (Phua, Jin & Kim, 2017a; 2017b). In the 18–24 age bracket, Facebook’s user numbers declined by 3.1% in 2017 (Ofcom, 2017). The fact that
Facebook is losing popularity in this specific age group led to the researchers using it in their sample.

At the same time, 80% of students using social media networks used them to search for information specifically related to products (Whiting and Williams, 2013). This means that the specific market segment will include regular consumers, with more buying power, in the near future (Sharma et al., 2014). Hence, firms need to create more meaningful and appealing FGC customised for this specific segment.

The study comprised a random sample of 982 undergraduate and postgraduate students from four different UK universities. These students were sent an email invitation with a short description of the study, information about confidentiality and a link to the survey. Two reminder emails were sent to those who had not responded. The survey was hosted on Qualtrics, an online survey hosting site, and was fielded during February–April 2017. At the beginning of the questionnaire, participants were given a drop-down list (Facebook, Instagram, Other) and had to choose the social media platform that they most frequently use for acquiring brand-related information and content and/or participating in brand-related communities. A second screening question regarding their age was used in order to make sure that the participants, although students, fit the specific age bracket (18–24).

A total of 355 students completed the online survey, yielding a response rate of 36.2%. Out of 355 questionnaires, nine (2.5%) did not meet the purpose of the study, thus providing a total number of 346 usable questionnaires. A total of 196 (56.7%) respondents were female, while 150 (43.3%) were male. For ethnicity, 171 (49.4%) were White, 85 (24.6%) were Afro-Caribbean, 63 (18.2%) were Asian, 18 (5.2%) were Hispanic, and 9 (2.6%) were Other. In terms of their year in university, 69 (20%) were first-year, 76 (22%)
were second-year, and 93 (26.8%) were third-year undergraduate students, while 108 (31.2%) were postgraduate students.

3.2. Measurement of variables

In order to measure the firm-generated content, we used a 4-item scale by Schivinski and Dabrowski (2016), and to measure brand awareness, a 6-item scale by Yoo et al. (2000) was utilised. In order to measure brand loyalty, an 11-item scale by Yoo et al. (2000) was utilised. Additionally, in order to measure eWOM, we adopted a 27-item scale created by Hennig-Thurau et al. (2004). Regarding purchase intention, the researchers adapted a 3-item scale by Dodds et al. (1991). All scales have been applied in previous studies with similar content and have provided an adequate Cronbach alpha.

3.3. Reliability and Validity

We utilised reflective measurements to evaluate the conceptual model. To assure the reliability and validity of the measurements, we used Cronbach’s alpha and confirmatory factor analysis (CFA). The constructs used in our analysis yielded alpha coefficients in the range from .881 to .913. The next stage was to validate the scales used to measure the latent variables. To establish convergent and discriminant validity, we used the following measures: composite reliability (CR), average variance extracted (AVE), maximum shared squared variance (MSV) and average shared squared variance (ASV). The CR values ranged from .874 to .932, which exceeded the recommended .70 threshold value (Bagozzi and Yi, 1988). The AVE of the constructs showed values higher than the acceptable value of .50 (Fornell and Larcker, 1981), ranging from .637 to .814. All the CR values were greater than the AVE values. The measured values for MSV and ASV were lower than the AVE values (Hair et al., 2010). Reliability and validity outcomes resulting from the CFA are presented in Table 1.
4. Data Analyses & Results

The confirmatory factor analysis (CFA) model yielded a good fit. The comparative fit index (CFI) value was 0.95, the non-normed fit index (NNFI) was .93, the root mean square error of approximation (RMSEA) value was 0.06, the 90 per cent confidence interval (C.I.) was 0.04 and the standardised root mean square residual (SRMR) value was 0.05. All the values were within the range of permitted thresholds (Hair et al, 2010).

A summary of the statistics related to the estimations and tests of the hypotheses is presented in Table 2. As depicted by the table, firm-generated social media content demonstrated a positive influence on brand awareness, which confirmed hypotheses H1 (β = .21; t-value = 2.02; p-value = .003). Firm-generated social media content demonstrated a positive effect on brand loyalty, and thus H2 is accepted (β = .17; t-value = 1.67; p-value = .002). Regarding H3a, as depicted by the table, brand loyalty has a positive effect on eWOM (β = .26; t-value = 3.74; p-value = .015). Brand awareness has a positive influence on eWOM, and thus H3b was also accepted (β = .19; t-value = 1.82; p-value = .004). Regarding H3c, as depicted by Table 2, firm-generated social media content demonstrated a positive effect on eWOM (β = .23; t-value = 2.31; p-value = .021). In addition to the above, H4a was accepted (β = .26; t-value = 3.70; p-value = .011) through the conclusion that firm-generated social media content has a positive effect on purchase decision. Moving to H4b, whereby the effect of brand loyalty on purchase decision was tested, the results yielded that the hypothesis is accepted (β = .23; t-value = 2.98; p-value = .032). Regarding H4c, according to the table, brand awareness has a positive effect on purchase intention (β = .19; t-value = 1.72; p-value = .006). Finally, H4d was also accepted (β = .20; t-value = 1.90; p-value = .012), showing that eWOM has a positive effect on purchase intention.
Since firms find themselves faced with major marketing budget cutbacks, there is a tremendous need for the most appropriate use of their marketing budget. Brand managers need to know the most effective social media tool in order to increase the purchase intention of users. Hence, we should investigate further to estimate the differences between the two social media platforms of Facebook and Instagram when it comes to the variables at hand. The fit indices for the samples of Facebook (GFI .939; AGFI .894; CFI .913; RMSEA .054) and Instagram (GFI .913; AGFI .933; CFI .912; RMSEA.051) suggest that the model has a good fit to the data. Multigroup analysis was performed to prove that the two proposed models have no statistical differences. Using the $\Delta \chi^2$, the statistical significance of the difference in the fit of the two models (Facebook and Instagram) was examined. The chi square test indicated that the unrestricted model was not significantly different from the unrestricted one, and thus a comparison could be safely made.

As depicted by Table 3, all paths seem to have a greater impact on the Instagram sample than the Facebook one. Instagram seems to have a more enhanced impact when used by a firm, meaning that users following brands on Instagram are finally impacted more in their purchase intention than users on Facebook. To be more specific, FGC on Facebook and Instagram both have positive influences on brand awareness (Facebook $\beta = .21$; Instagram $\beta = .24$), brand loyalty ($\beta = .17$; $\beta = .20$) and electronic word of mouth ($\beta = .21$; $\beta = .25$), but this influence is consistently greater on Instagram. As shown in Table 3, FGC has a greater impact on the purchase intention of users on Instagram ($\beta = .30$) as compared to Facebook ($\beta = .20$). The purchase intention of Instagram users seems to be affected more than that of Facebook users in regards to the following variables: brand loyalty (Instagram $\beta = .25$; Facebook $\beta = .23$), brand awareness ($\beta = .23$; $\beta = .19$) and
eWOM ($\beta = .22; \beta = .20$).

**INSERT TABLE 3 HERE**

### 5. Discussion

The attention of professionals and academia has been drawn to a growing trend in the field of marketing communication brought about by the social media revolution (Hutter et al., 2013). This trend has opened up new avenues of communication between marketers and consumers. One area of recent research focuses on identifying both the processes involved in social media communication (Krishnamurthy and Dou, 2008) and how they influence consumer behaviour.

It has been shown (Kumar et al., 2016) that when firms generate and communicate messages directly through social media, there is an impact on consumer purchasing. This research maintains that firm-generated content (FGC) is a significant and influential form of marketing communication for brands, especially regarding its impact on consumer purchase intention. These findings corroborate those of earlier studies (Balakrishnan, Dahni and Yi, 2014; Kumar et al., 2016) showing that willingness to buy and decision processes are both positively influenced by FGC (Hutter et al., 2013). This research seeks to extend these findings by focusing, for the first time, on Instagram, which is currently more popular among consumers for following brands, and Facebook. This study reveals a marked difference between Instagram and Facebook regarding the impact of FGC on consumer purchase intention, and that using Instagram for FGC will more likely yield a higher positive impact in this regard. This finding becomes even more insightful in view of the similar characteristics that Instagram and Facebook users share. Therefore, the comparison between these two sites becomes more accurate and meaningful. At the
same time, a potential discussion may emerge on the basis of assessing the significance of any possible – mainly psychographic – differences among users of these sites. This in-depth investigation may, in turn, reveal critical information to social media strategists and drive marketing managers in their effort to segment their content to audiences, both within platform (e.g. Instagram) and across platforms (e.g. between Instagram and Facebook).

An extensive literature review revealed that the relationship between electronic word of mouth (eWOM) and FGC had yet to be studied. By investigating this relationship, this study seeks to correct this omission. The results of this research show that there is a significant positive association between eWOM and FGC. This is of value to marketers as they now have the stimulus needed to post content and try to initiate eWOM using FGC. This can be achieved in various ways. Content could be posted and consumers encouraged to re-share their posts, or persuaded to post new comments framed as participation in a competition. Marketers must also review their approach to eWOM itself – for example, by answering to eWOM more creatively, they may prompt consumers to respond and thus start a fresh round of communication. Something as simple as answering with a short ‘thank you’ can gain brand-related goodwill among social media users, potentially boosting eWOM.

Further analysis of the results of this study has shown that eWOM positively impacts the purchase intention of the consumer. Previous research by Balakrishnan et al. (2014) has already shown this to be the case, as well as highlighting that eWOM drives sales. Marketers should investigate means of creating impressions in the minds of consumers using FCG (Mangold and Faulds, 2009); this, in turn, would actively trigger eWOM among consumers and, potentially, positively influence their purchase intention. Practical examples of this include issuing regular updates on different networks, offering
consumers the chance of enjoying an unforgettable brand experience or directly involving them in the communication process engendered by participation in social media.

The results of this research also demonstrate that brand awareness and loyalty have a positive effect on the consumer purchase intention. By creating brand awareness, consumers may build brand loyalty through familiarity with a product and prior positive experiences with it. These findings reflect those of Chi et al. (2009), which highlighted the importance of brand awareness as playing a significant role in guiding consumer purchase intention, pointing out that the higher the level of brand loyalty consumers have, the more likely they are to purchase a product. Furthermore, this research has determined a relationship between eWOM and both brand awareness and brand loyalty. Following this research, marketers should be made aware of the power of eWOM and its potential as a significant tool of influence regarding purchase intention (Severi, Choon Ling and Nasermoadeli, 2014). Their focus should be on a consumer audience that has demonstrated a willingness to share brand posts, reacting positively to them and responding with further posts that include the brand name, thus reinforcing familiarity, and then loyalty.

This study has demonstrated that using FGC as a form of marketing communication could be key in enhancing levels of brand awareness and loyalty. The findings are aligned with the results of other researchers (Barreda et al., 2015; Hutter et al., 2014). Not all studies have shown a positive relationship between FGC and brand loyalty, as can be seen in the work of Shivinski and Dabrovksi (2016); however, their view has not been borne out by this research. Our findings show that, based on a positive regression between purchase intention and both brand awareness and loyalty, it can be assumed that, generally, an increase in FGC will lead to enhanced purchase intention. According to Barreda et al. (2015), the generation and enhancement of brand awareness is extremely important. It helps the development of other brand elements which may positively
influence the consumer’s purchase decision-making process. Brand awareness is the crucial first stage in the hierarchy-of-effects model (HOE model). It is important that marketers focus on increasing brand awareness through the use of FGC and impact the buying process. In order to generate the required increased brand awareness and loyalty in consumers, marketers should create interesting and engaging content which will capture their attention. Means of doing this include developing games and applications, using GIFs or setting up competitions.

Owing to the positive effects of FGC on the decision-making process of consumers, it should be recognised and implemented by marketers as a key feature of their marketing communication. Social media should not be used as a tool merely because rival brands may be using it; rather, it should be considered in light of the various opportunities it offers, such as enhancement of consumer brand perception and purchase intention.

Consideration of the results of this study must include any limitations, especially with regard to further research possibilities. Other marketing variables known to influence the decision-making process behind consumer purchase intention could be included; this could potentially refine the outcomes and give us deeper insight into the impact of FGC on consumers. Also, user-generated content could be included as a variable, allowing us to compare both social media communication platforms and suggest ways in which their employment could be combined to further enhance the influence on consumer behaviour. Finally, we should note that a potential limitation with questionnaires is the fact that respondents may lie or bend the truth due to several reasons (e.g. social desirability) and this may have an impact on the results of the study (Holbrook, Green, & Krosnick, 2003).

6. Conclusion

As discussed above, this research asserts that a firm’s social media content offers
massive opportunities and advances two-way communication between firms and consumers. During this ongoing dialogue, both sides share valuable content and accumulate considerable knowledge. This intelligence gained from FGC can enhance both consumer decision-making and firms’ social media strategies and brand effectiveness. This study puts emphasis on providing empirical evidence of the pivotal role FGC plays in regards to users’ decision-making. Our research also adds to the growing knowledge of the investigation of FGC created on social media and its impact on brand awareness and brand loyalty (Trusov et al., 2009; Goh et al., 2013; Godes and Mayzlin, 2009; Christodoulides and Jevons, 2011).

We detected a significant difference between FGC on Instagram and FGC on Facebook in terms of their relative impact on brand awareness and brand loyalty. Using Instagram to create FGC is more likely to return positive scores in regards to the aforementioned brand performance indicators. Although this research takes a step towards a better understanding of the way FGC influences decision-making, as highlighted in the results, there is still room for more studies in regards to analysing the strategies that consumers use to communicate on social media – in various contexts and with respect to alternative brand categories. Our results also show that FGC positively relates to eWOM and, importantly, to purchase intention. This is where we offer new knowledge, given the lack of conceptual and empirical support for the potential relationship between posting online and purchase intention (Martínez-Navarro and Bigné, 2017; King et al., 2014). Findings suggest the importance of creating FGC on social media while boosting a brand’s eWOM. This finding is also consistent with previous studies (Araujo et al., 2015; Berger and Milkman, 2012). The positive effect of eWOM on brand awareness, brand loyalty and purchase intention can become even more powerful with the use of social media influencers who show higher levels of interaction, have stronger influence on users’
attitudes and behaviour and are, thus, more likely to pass along viral advertising messages (Konstantopoulou, Rizomyliotis, Konstantoulaki and Badahdah, 2018). This calls for further investigation, while additional research is also needed in regards to the discriminating qualitative dimensions (e.g. words, phrases, language) of eWOM (e.g. Allsop, Bassett and Hoskins, 2007; Gabbott and Hogg, 2000).

The growth of social media is unquestionable and will remain dynamic over the coming years. Brands are increasingly using FGC as a marketing tool and are expected to further exploit the opportunities derived from the evolution of new audiovisual features based on 3D dynamic content or virtual and augmented reality, which will enhance interactive user experiences, engagement and commitment. By the same token, FGC created on social media will undoubtedly favour brands in terms of facilitating online purchases, improving advertising effectiveness and proliferating eWOM activity.

References


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Appendix 1. Measurement Scales

Firm Generated Content (FGC) (adopted by Schivinski and Dabrowski, 2016)

[FGC1] I am satisfied with the company’s social media communications for X brand.
[FGC2] The level of the company’s social media communications for X meets my expectations.
[FGC3] The company’s social media communications for X are very attractive.
[FGC4] This company’s social media communications for X perform well, when compared with the social media communications of other companies.

Brand Loyalty (BL) (adopted by Yoo et al., 2000)

[BL1] I consider myself to be loyal to X brand.
[BL2] X would be my first choice.
[BL3] I will not buy other brands if X is available at the store.
[BL4] X brand fulfilled my expectations the last time I bought it
[BL5] I will buy X again.
[BL6] I will suggest X to other consumers.
[BL7] The price of another brand should be considerably inferior to not choose X.
[BL8] In the case of not using it, I would like to buy X brand.
[BL9] Even if another brand has the same features as X, I would prefer to buy X.
[BL10] If there is another brand as good as X, I prefer to buy X.
[BL11] If another brand is not different from X in any way, it seems smarter to buy X.

Brand awareness (BA) (adopted by Yoo et al., 2000)

[BA1] I know what X looks like.
[BA2] I can recognize X among other competing brands.
[BA3] I am aware of X.
[BA4] Some characteristics of X come to my mind quickly.
[BA5] I can quickly recall the symbol or logo of X.
[BA6] I have difficulty in imagining X in my mind.

Purchase Intention (PI) (adapted by Dodds et al., 1991)

[PI1] The likelihood of purchasing this brand is.
[PI2] The probability that I would consider buying the brand is.
[PI3] My willingness to buy this brand is.

*e-Wom (adopted by Hennig-Thurau et al., 2004)*

I write comments on virtual platforms because:

[eWOM1] …I believe the platform operator knows the person in charge within the company and will convey my message.

[eWOM2] … the platform operator will stand up for me when speaking to the company.

[eWOM3] … I believe companies are more accommodating when I publicize the matter.

[eWOM4] … it is more convenient than writing to or calling the company.

[eWOM5] … it is not that costly.

[eWOM6] … one has more power together with others than writing a single letter of complaint.

[eWOM7] … the company harmed me, and now I will harm the company!

[eWOM8] … I want to take vengeance upon the company.

[eWOM9] … my contributions help me to shake off frustration about bad buys.

[eWOM10] … I like to get anger off my chest

[eWOM11] … I want to warn others of bad products.

[eWOM12] … I want to save others from having the same negative experiences as me.

[eWOM13] … I want to help others with my own positive experiences.

[eWOM14] … I want to give others the opportunity to buy the right product

[eWOM15] … this way I can express my joy about a good buy.

[eWOM16] … I feel good when I can tell others about my buying successes.

[eWOM17] … I can tell others about a great experience.

[eWOM18] … my contributions show others that I am a clever customer.

[eWOM19] … I believe a chat among like-minded people is a nice thing.

[eWOM20] … it is fun to communicate this way with other people in the community.

[eWOM21] … I meet nice people this way.

[eWOM22] … of the incentives I receive (e.g., Web miles).

[eWOM23] … I receive a reward for the writing.
[eWOM24] …I am so satisfied with a company and its product that I want to help the company to be successful.

[eWOM25] …in my own opinion, good companies should be supported

[eWOM26] …I expect to receive tips or support from other users.

[eWOM27] …I hope to receive advice from others that helps me solve my problems.
Table 1. Indicators of Reliability and Validity

<table>
<thead>
<tr>
<th>Constructs and measurements</th>
<th>a</th>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
<th>ASV</th>
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<tbody>
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<tr>
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<tr>
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<tr>
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<td>.158</td>
<td>.087</td>
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<tr>
<td>PI</td>
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<td>.904</td>
<td>.637</td>
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<td>.063</td>
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</tbody>
</table>

Note: FGMC = Firm Generated Content, BL = Brand Loyalty, BA = Brand Awareness, eWom = electronic Word of Mouth, PI = Purchase Intention

Table 2. Standardized structural coefficients

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β</th>
<th>t-value</th>
<th>p-value</th>
<th>Acceptance</th>
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</table>

Note: CFI = .95; NNFI = .93; RMSEA = .06 (90% C.I. 0.04, 0.08); SRMR = 0.05

Table 3. Social Media Comparison

<table>
<thead>
<tr>
<th>Facebook</th>
<th>Instagram</th>
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<tr>
<td></td>
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<tr>
<td>Path</td>
<td>Standardized β</td>
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<td>FGMC-&gt; BL</td>
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<td>.19</td>
</tr>
<tr>
<td>eWOM -&gt; PI</td>
<td>.20</td>
</tr>
</tbody>
</table>

Note: Facebook: GFI .939; AGFI .894; CFI .913; RMSEA .054
Instagram: GFI .913; AGFI .933; CFI .912; RMSEA .051
**<.05; **<.001
Figure 1. Conceptual Framework

- Firm generated content (FGC)
- Brand awareness (BA)
- Brand loyalty (BL)
- eWom
- Purchase Intention (PI)

H1, H2, H3a, H3b, H3c, H3d, H4b, H4c, H4d, H5a