

# Social Media WOM: How Social is Your Social Media?

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## ABSTRACT

The first social media site was launched in 1997. The era of social media had dawned. Users could create a profile and add others as their virtual friends. Blogs and forums also started to attract considerable following, as they allowed people to communicate more frequently and on a larger scale than ever before. More innovation in the social media space soon followed with the launch of Myspace, Facebook, Youtube, and Twitter, among others. Social media in all its iterations has become a major pillar of society – the implications for marketing and the business enterprise are almost endless. Not only has the proliferation of different social media platforms increased the volume of online chatter, but it has also contextualized word-of-mouth (WOM) in the digital domain. We posit that WOM exhibits heterogeneity across social media platforms. This study examines how different social media platforms can drive or inhibit firm sales through this contextualizing effect, in the domain of the motion picture industry. We investigate whether all social media platforms are equal in the transmission of digital WOM to actual customer purchase behavior. We theoretically contextualize WOM based on systematic differences between platforms and empirically evaluate the impact of those differences on an objective variable of particular interest to academics and practitioners: movie sales. Empirical results from a panel data analysis suggest social media WOM influences box office revenues more when it stems from non-identity social media platforms such as forums and review sites, than when it comes from identity-focused ones (i.e. Twitter, Facebook).

*Keywords:* social media, WOM, word of mouth, blog, forum, review, online

*Track:* Social Media Marketing

*ID#:* 1420