NYU Stern School of Business
Department of Information, Operations & Management Sciences
INFORMATION SYSTEMS RESEARCH SEMINAR

TOPIC: Understanding Word-of-Mouth and Customer Engagement on Facebook Business Pages
SPEAKER: Yuqing (Ching) Ren (University of Minnesota)
DATE: Friday, September 11th, 2015
TIME: 12:30PM-1:45PM *Lunch will be served at 12:15pm.
PLACE: KMC 3-130

ABSTRACT

With the growth and prevalence of social media platforms, many companies have been using them to engage with customers and encourage word-of-mouth about their products and services. However, there has not been much research on the characteristics of user-generated word-of-mouth on these platforms and, correspondingly, their impact on customer engagement. In this paper, we analyze 12,000 user-generated posts from Facebook business pages of 41 companies to understand what users post on Facebook business pages and how various post characteristics affect engagement, measured as the number of likes and comments received by a post. We examine a variety of factors, such as post valence and content, linguistic features, poster activeness, and contextual characteristics. Our analysis demonstrates that negative posts are more prevalent than positive posts on Facebook business pages, exhibiting a different pattern from the "J-shaped" valence distribution of online consumer reviews. Our analysis also shows that engagement depends on not only the valence of a post but also on the specific ways in which a post is positive or negative. We observe three types of customer complaints that are related to: product and service quality, money issues, and social or environmental issues. While all three types of complaints receive more likes than other posts, quality and money complaints also receive more comments whereas social complaints receive fewer comments. Such nuances can only be uncovered by analyzing the actual post content, i.e., going beyond the valence of the posts. Furthermore, we find that liking and commenting are two separate forms of engagement behaviors, and the same factor may affect them differently. For example, positive posts tend to attract more likes yet fewer comments than neutral posts. Overall, our research shows that user-generated posts on Facebook business pages represent a distinctive form of electronic word-of-mouth, which is conceptually different from online consumer reviews. Our work advances the knowledge on electronic word-of-mouth and has practical implications for businesses' social media marketing strategy.

Joint work with: Mochen Yang and Gediminas Adomavicious.

BIO

Yuqing Ren is an Assistant Professor of Information and Decision Sciences in the Carlson School of Management at the University of Minnesota. She holds a Ph.D. in Organization Science from Carnegie Mellon University, a M.E. in Systems Engineering and a B.E. in Electronic Engineering from Xi'an Jiaotong University in China.

Her research centers around two significant trends that began in the middle of the 20th century yet continue to transform businesses and interpersonal lives in our society: the increasing reliance upon *groups* to get work done and the use of information *technologies* to support group interactions and collaboration. Residing at the intersection of the two, her research examines how we can design and manage information technologies to support effective group interactions and collaboration. Specific topics include online community design, business applications of web 2.0, knowledge management, distributed collaboration, and computational modeling of social and organizational systems. Her work has been published in or forthcoming at *Human-Computer Interaction, Journal of Management Studies, Journal of MIS, Management Science, MIS Quarterly, Organization Science, Organization Studies, The Academy of Management Annals*, and the Proceedings of *AOM, CHI, CSCW, HICSS, ICIS, and WikiSys*.

Her research has been supported or is currently supported by National Science Foundation, University of Minnesota's Grant-in-Aid, 3M Non Tenured Faculty Grant, and the Carlson School Dean's Small Research Grant. She serves on the editorial board of *Organization Science*. She also serves as ad hoc reviewers for *MIS Quarterly*, *Information Systems Research*, *Management Science*, *Journal of MIS*, *Journal of AIS*, and several other top journals. She received the *Information Systems Research* Best Reviewer Award in 2009.