

The New Zealand Asia Institute (NZAI) undertakes research focusing on engagement with Asia, provides a forum for informed debates, and offers a bridge to Asia-related expertise and research within the University of Auckland.

Friend Recommendations and Social Media Advertising: Koreans are different from Americans

Advertising can be more effective when it is recommended or shared among friends. It is not always clear, however, how such recommendations work when it comes to advertising in social media, which represented 43.5% of all advertising in 2018? A study** contrasting Korea with the United States reveals that, when social media advertising is disclosed as such, “likes”, “follows” and other recommendations from friends actually produce diametrically opposed effects.

Standard social media practice requires distinguishing advertisements from native content with warning flags like the word “Sponsored”. These make consumers suspicious through a phenomenon called persuasion knowledge: knowing the advertiser’s commercial intentions to persuade makes consumers feel manipulated, especially if the attempt is unexpected.

In this study, the researchers investigated the effects of friend recommendations of social media advertisements in different cultural contexts. They proposed that contrasting views of friendships in collectivist and individualist cultures could bend the effects of friend recommendations on disclosed advertisements in very different directions. In individualist Western cultures like the United States friendships are vulnerable to context, particularly if people feel used. Persuasion attempts in vicinity to commercial motives could feel unexpected and create a sense that the friendship is being used instrumentally. Americans, the researchers therefore hypothesised, would find friend recommendations less trustworthy when a disclosure was present, counterintuitively rendering the advertisement less credible and effective.

Collectivist Asian cultures like Korea’s view friendships differently. In collectivist cultures, friendship is seen as genuinely unconditional, fixed by social norms that vary little with context. Thus the researchers hypothesised that friend recommendations in South Korea would boost even disclosed advertising’s credibility and effectiveness.

The hypotheses were tested in two studies, each sampling both countries. Study 1 presented half of some 450 undergraduates with an advertisement flagged as Sponsored (and recognised by the students as commercial

persuasion) supposedly liked on Facebook by their best friend, and the other half the same advertisement without the like. In the US group, adding friend recommendations reduced brand favourability attitudes and credibility; in Korea, the opposite occurred. Moreover, the US students came out as more individualist and the Koreans more collectivist, with this difference apparently driving the different effect of friend recommendations.

Study 2 reconfirmed both hypotheses. It added weight by testing non-students, a different platform and another product category, and showing that reactions translated into purchase intentions driven by altered trust of the recommendations.

Interestingly, simply knowing that a post was advertising emerged as not always negative. There were even signs that in Korea disclosures could be positive provided a friend recommended the product.

The results highlight cross-cultural differences in a supposedly globalised social media world. Friend recommendations can backfire in individualist cultures. There they work best with product categories, pricing tactics and message appeals where persuasion knowledge is attenuated. An example is supply-related scarcity appeals like “while stocks last” rather than demand-related ones like “over one million units sold”. Collectivist Asia, by contrast, responds better to friend recommendations. There, marketers should encourage consumers to share content virally, use social media influencers (seen as non-commercial and somewhat friend-like) and try narrowcasting, in other words targeting small audiences, which often involve circles of friends.

** The full study results are available in an article authored by Amy Errmann, Yuri Seo, Yung Kyun Choi and Sukki Yoon: “Divergent Effects of Friend Recommendations on Disclosed Social Media Advertising in the United States and Korea”. *Journal of Advertising*, published online 30 September 2019.

