Preliminary Master Thesis

- Consumer trends 'Always logged-in' and 'Return on time': The effect on consumers Adoption of social media technology   -

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1.0 Introduction

1.1 Importance of topics

Social media is an important technology, relevant for both firms and consumers. The use of social technologies has increased in recent years, and number of social media users worldwide was 2.34 billion in 2016, an increase of 141% since 2010 (Statista, 2017). Number of users is expected to grow, and is forecasted to be 2.95 billion in 2020. There has been a 36% increase in time spent on social media from Q3 2015 to the end of 2016 (Nielsen, 2016). Norwegians are on average using 2.6 social media accounts actively and with the increase in users on both Facebook, Twitter, Snapchat and Instagram the last years, we can expect the number of accounts per consumer to increase even further (TNS Gallup, 2015; Ipsos, 2016). With this in mind, it is important to understand what is leading to the adoption of social media.

The increase in use of social media is important in influencing different aspects of consumer behavior (Mangold & Faulds, 2009). Consumers awareness, attitudes, purchase behavior and evaluation towards companies and brands can be highly affected through social media. They use various social media channels to collect information to make purchase decisions, due to its benefit to get access to information at anytime. Consumers are turning away from traditional sources of advertising, which has led to social media being perceived as more trustworthy regarding products and services. The consumers are now performing marketing activities previously done by companies, which shows the importance for companies to understand how consumers are changing their behavior, to create benefits for both parts from the use of social media.

Previous research in the area has focused on finding out why people adopt different technologies. Lin, Shih and Sher (2007) developed the TRAM model, which is a continuation of the two models within technology acceptance theory; Technology Readiness (TR) by Parasuraman (2000) and The Technology Acceptance Model (TAM) by Davis (1989). TR refers to people who use and grasp new technology for reaching different goals at work and in home life, while the TAM framework refers to the usefulness and ease of use for a particular system, and how that influences how people adopt new technologies. Husa and Kvale (2009) adapted the TRAM model to the context of social technology, and

found that the traditional technology acceptance theory can be applied to the social media context. Therefore, we find the TRAM model appropriate to use when investigating the effect of consumer trends on social technology.

The TRAM model when presented by Husa and Kvale (2009) explains variables that has an effect on why consumers adopt social media, but does not show how consumer trends affect the adoption process. The consumer trends "Always logged-in" (ALI) and "Return on Time" (RoT) are explaining how firms can better align their innovation with future customers need (Andreassen, Lervik-Olsen & Calabretta, 2015). In the social media context, it is seen that consumers who are always logged in have the need to access information at any time wherever they are, as well as they can have the "Fear of Missing Out". RoT is about people wanting to fill their time with the optimal number of self-fulfilling experiences. These trends are habits or behaviors prevalent among consumers, and explains detailed how people behave in regards to goods and services. Companies wanting to create social technologies should be aware of how the trends ALI and RoT affect consumer adoption to new technology, to easier create sustainable innovations that meet customers needs. No previous research has taken ALI and RoT into consideration regarding the adoption process, and we believe this is a problem to be solved.

1.2 Research question

Based on the gap in the market our research question tries to answer the following question:

How do the consumer trends 'Always logged-in' and 'Return on time' affect consumers Adoption of social media technology?

Our study will be a contribution to already existing research in the field of adoption of social technology, and the purpose can be seen as threefold: 1) identify how ALI affect adoption of social media technology, 2) identify antecedents of ALI, and how these affect adoption, and 3) understand how RoT is influenced by ALI and how RoT has an effect on adoption.

The objective of this study is to predict how the consumer trends ALI and RoT are affecting the adoption of social media technology, and therefore the main

theoretical topics in our thesis is consumer trends and adoption of social media technology. In addition, we will look into antecedents explaining the trend ALI, and try to predict how these variables alone and in combination with ALI affect adoption. Later, it will be necessary to define relevant moderators affecting this relationship, as we believe several moderators can affect the strength and direction of social media technology adoption. There are reasons to believe that consumer trends can have an impact on the adoption of social media, as these trends are general patterns of consumer behavior at a certain point in time. This means the trends analyzed in this study explains consumers' current behavioral trends, which should be taken into consideration in the context of social media technology adoption.

1.3 Managerial Contribution

The contribution of this work is mainly managerial. The findings from this research can help companies to better align their social technology innovations in regards to consumer trends in the market. By understanding how these trends affect the adoption, companies can have the possibility to create an advantage over its competitors in the social media industry. The TRAM model focuses on the individual traits of the customer base, and not just on the technology itself. Adapting the TRAM model (technology readiness, usefulness and ease of use) together with the consumer trends give companies great tools to use when creating their social media technology innovations. Companies are then able to direct its innovations in regards to customers needs, based on their individual characteristics.

To answer the research question, we will discuss existing theories that are relevant for our topic and build on them, to see what research that is previously done in the market. Based on this we will explain the gap in the literature, and present our predictions as hypotheses. After the literature review the methodology used in this study will be explained, including the research design, context of study and population and sample.

2.0 Literature review

2.1 Adoption

Previous research has presented different models that tries to explain and predict adoption of social media technology (Lin et al., 2007; Eroglu, Machleit & Davis, 2001; Flanagin & Metzger, 2001). We will present different theories with three different approaches, to enhance our understanding of the underlying factors affecting social media adoption. Two of the approaches, the S-O-R paradigm and social presence and media richness theory will be used as theories to increase our knowledge in the field, to give us an overview of possible antecedents for adoption. The TRAM model is found to be most relevant in answering or research question, and will be applied further in the study.

2.2 S-O-R paradigm

A widely used model is the S-O-R paradigm, which explains how certain atmospheric elements influence the affective and cognitive internal states, which leads to either approach or avoidance response to the experience (Donovan, Rossiter Marcoolyn & Nesdale, 1994). The model describes how people receive information about a product, before processing the information, and in the end make a choice (Wang & Chang, 2013). The first part of the S-O-R paradigm is *stimulus*, including high and low task-relevant information. Eroglu et al. (2001) used the S-O-R paradigm in the online retail context, and presented high-task cues as all the site descriptors that appear on the screen, which makes the consumer reach its goal on the website. The low-task cues are all the site information not as important in completing the desired task. Stimulus can be explained as all the cues visible and audible to consumer (e.g. information or advertising), which can be seen as high-task cues, helping consumers in making a decision (Mollen & Wilson, 2010; Peters, Chen, Kaplan, Ognibeni & Pauwels, 2013).

The *organism* stage is represented by processes that has an effect on the relationship between stimulus and response. The organism in the social media context is the social media itself (Peters et al., 2013). There are two internal states, being *affective and cognitive intermediary states*. The affective state is the consumer's response related to pleasure and arousal, while the cognitive state is about how online consumers use the information provided. Eroglu et al. (2001)

also found two moderators that can affect the relationship between stimuli and organism, being involvement and atmospheric responsiveness. Involvement is the degree of personal relevance, and explains whether or not the online shopping activity is perceived to help achieve consumers' goals. This can influence how much impact the cues have on the affective and cognitive states. Atmospheric responsiveness is to what degree the environmental characteristics (external influences) can have an effect on the consumer's decisions.

The *response* stage represents the final outcome. The consumer will choose either approach or avoidance, where the approach behavior includes all positive actions that can be included in a particular situation. Avoidance concerns the opposite, being all negative actions that can occur in a particular setting. In the social media context responses can be analyzed in two ways. The first way is specific success metrics, being customer relationship management (e.g. customer lifetime value) or brand management (e.g. awareness and liking), while the other metric is general success (e.g. market share or profit) (Peters et al., 2013). Eroglu, Machleit and Davis (2003) found the online store atmosphere to make a difference in the online environment, which most likely also can be related to the social media context. The effect of the site atmosphere on attitude, satisfaction and approach/avoidance is the result of the emotions experienced by the consumer. By increasing the atmospheric qualities of the website, consumer's level of pleasure is found to be increased.

2.3 Social presence and media richness theory

Another way to explain the adoption of social media is to focus on the medium's attributes (Flanagin & Metzger, 2001). Social presence explains how mediums differs in the degree of being present, and describes the acoustic, visual and physical contact that can be achieved, and is influenced by the intimacy and immediacy of the medium (Kaplan & Haenlein, 2010). Higher social presence leads to higher social influence that the communication parts have on each other. Communication varies across media, based on the number of cues available within the media, and face-to-face is found to be the "richest" medium, while formal letters is the "leanest" (Walther, 1992). Most social media technologies, and especially social networking sites and content communities are found to be moderate both in presence and richness, as these technology platforms enables

sharing of pictures, videos and other forms of media (Kaplan & Haenlein, 2010). Even though social media is not as rich as face-to-face, it still offers the possibility to have a personalized and varied language to some extent, which makes it moderately rich.

2.4 Technology Acceptance Model (TAM)

Over the last decades the computer industry has been developed and gone through huge changes. Today the world is dependent on technology and several studies have been done on technology acceptance and their use, trying to understand why people will reject or accept a new computer technology. The Technology Acceptance Model (TAM) is a well-known model explaining computer acceptance and user behavior, and was first introduced to explain acceptance and behavior in a job setting and to improve the efficiency of the workers (Davis, 1989; Davis, Bagozzi & Warshaw, 1989).

Davis (1989) and Davis et al. (1989, p.320) present two variables that can predict technology adoption, being *perceived usefulness* and *perceived ease of use.* They define *perceived usefulness* as "the degree to which a person believes that using a particular system would enhance his or her job performance" and *perceived ease of use* as "the degree to which a person believes that using a particular system would be free of effort". The model works as a tool for predicting, but also explaining whether consumers would use information technology (Davis et al., 1989). The model assumes that technological innovations perceived as useful and easy to use are more likely to be accepted and adopted by consumers. TAM, with its ease of use and usefulness is considered as being similar to relative advantage and complexity in diffusion theory. The model managed to solve some of the diffusion theory problems, and became an acknowledged model in explaining antecedents of technology adoption (Moore & Benbasat, 1991; Lin et al., 2007).

Davis (1989) research found usefulness to be more important than ease of use, which indicate that no amount of ease of use can compensate for a system that do not have a useful function. This can also be seen in Davis et al. (1989) study, where they found that perceived usefulness was much stronger linked to people's use of computers than ease of use, and indicated that perceived ease of use act as a predictor of perceived usefulness (Davis 1989; Davis et al., 1989).

As mentioned, TAM was first developed to predict adoption of technology in work environments, and it has been questioned how applicable it is for marketing settings, as these two are quite different. At work people might reluctantly or involuntarily adopt system due to management intervention, while in marketing settings consumers are free to choose between different alternatives (Lin et al., 2007). TAM does not take into consideration individual attitude towards the technology, and therefore, TAM may not work optimal in a marketing setting, as individual differences regarding user motivation and capabilities act as determinants for technology adoption (Rauniar, Rawski, Yang & Johnson, 2014). Research has also shown that previous experience and use of innovation technology can increase a consumer's perception of its usefulness and ease of use, which also affect the intention to use a product (Gefen, 2003). Researchers have therefore developed newer models as a continuation of TAM, which also takes individual differences into consideration.

2.5 Technology Readiness (TR)

Technology Readiness (TR) refers to people who use and grasp new technology for reaching different goals at work and in home life. There are eight technology paradoxes (i.e. control/chaos, freedom/enslavement, new/obsolete, competence/incompetence, efficiency/inefficiency, fulfills/creates needs, assimilation/isolation and engaging/disengaging) which can trigger both positive and negative feelings (Parasuraman, 2000). The positive feelings can lead people towards the technology while negative feelings hold people back. These feelings vary across individuals, and a combination of both is the basis of technology readiness. The two different beliefs about the technology does correlate with their disposition to embrace and employ technology.

Parasuraman (2000) developed the Technology Readiness Index (TRI), a tool to measure people's beliefs about the technology. The index states that consumers disposition to embrace technology can be split into drivers of technology readiness (optimism and innovativeness) and inhibitors (discomfort and insecurity). Optimism refers to people having a positive feeling towards technology and that it provides efficiency and flexibility to their lives. Innovativeness is people who are leaders and first out to try new technology.

Further, discomfort is a feeling of being overwhelmed by the technology and insecurity refers to skepticism and the ability for it to work as it should (Parasuraman, 2000). This scale is widely used and good at understanding the customer's readiness. The growing market of technology services and products implies that insight into customer's technology readiness is important both now and in the future (Parasuraman, 2000). The TRI score can be used to help companies make strategies and answer questions about their customer's level of technology readiness regarding the company's services and products.

Colby and Parasuraman (2003) continued the research on TR and suggested five segments within technology readiness which includes a combination of positive and negative beliefs (i.e. optimism, innovativeness, discomfort and insecurity). These five segments are explorers, pioneers, skeptics, paranoids and laggards. *Explorers* refers to those who have a strong motivation and are the first to adopt new technology. *Pioneers* are also motivated to adopt new technology, but at the same time doubters because of their high level of insecurity. The next segment is *skeptics,* which have few motivations and inhibitions to adopt technology. *Paranoids* believe in technology benefits, but are highly insecure at the same time, while *laggards* refer to people that are least ready for new technology, with little motivation and high resistance (Colby & Parasuraman, 2003).

2.6 Technology Readiness and Acceptance Model (TRAM)

A widely used model in the technology adoption context is the *Technology Readiness and Acceptance Model* (TRAM) by Lin et al. (2007), which is a continuation of the two models within technology acceptance theory; Technology Readiness (TR) by Parasuraman (2000), and The Technology Acceptance Model (TAM) by Davis (1989). TAM is used to measure perceptions of usefulness and ease of use for a particular system, while TR represents general individual beliefs about the technology. Lin et al. (2007) found these two models to be interrelated, and that technology readiness could be seen as a causal antecedents of perceived usefulness and perceived ease of use. These concepts together will affect the consumer's intention to use an online service. In the evaluation process of adopting new technology, TR is found to be processed before usefulness and ease of use, and perceived usefulness and perceived ease of use together was found to have a mediating effect in the relationship between TR and consumers' intention

of usage. As mentioned earlier, technology readiness is individual, which implies that companies using e-service must pay attention to individual differences to be able to direct their communication and marketing more directly to their desired target group (Lin et al., 2007).

TRAM is a model trying to explain why consumers do not adopt technological objects even though they score high on TR. One reason for that is because usefulness and ease of use also influence consumers when making a decision about adopting technology (Lin et al., 2007). Prior experience and product knowledge can lead to consumers searching for additional information when making a decision. Beliefs based on these prior experiences may be used to attach perceived usefulness and perceived ease of use. Therefore, we believe that usefulness and ease of use have a stronger effect on explaining social media technology adoption than does technology readiness. Even though it is found that consumers' TR can have a positive impact on their online service quality perception and behavior, the empirical findings are unclear, and therefore, TR may only have a minor impact on an individual's online behavior. As social media is already a widely used technology among consumers, most people have prior experiences with these technologies. We expect them to be ready for the technology, and are more likely to search for additional information about attributes. Therefore, TR is considered not as relevant when studying adoption in the social media context.

Husa and Kvale (2009) found TRAM appropriate to use in a social media context, and that individual differences in terms of technology readiness was positively correlated with consumer's perception of ease of use and usefulness. Their findings also showed that these two constructs had an effect on consumer-company interaction. Based on previous findings describing that ease of use and usefulness can predict the usage of new technologies, we expect ease of use and usefulness to have an effect on adoption of social media technology.

H1: Perceived ease of use is positively correlated with adoption of social media technology
H2: Perceived usefulness is positively correlated with adoption of social media technology

2.7 Always logged-in

People who are always logged in has the need to access information and services at any time wherever they are, as well as they often have the "Fear of Missing Out". Internet is now the number one source of media at work, and number two source at home (Mangold & Faulds, 2009). Consumers are turning more frequently to different types of social media to collect information that can help them making purchases and decisions. Norwegians spend more time on social media, which can be seen in context with time spent on internet per day. In 2015 consumers spent 127 minutes compared to 120 minutes in 2014 (Statistisk Sentralbyrå, 2016), and as mentioned before they are using 2.6 social media accounts, a number we can expect to increase even further. The increase in social media usage could imply that people have a greater desire to be online, anywhere and at any time. We therefore believe that the consumer trend ALI has an effect on the adoption of social media technology.

H3: Always Logged-in is positively correlated with adoption of social media technology

2.8 Habits, uses and gratification

Several studies have been done on uses and gratification associated with social media. It is also argued that habits can be seen as a type of gratification and not a distinct construct (Song, Larose, Eastin & Lin, 2004). Social media habits among the generation Y is related to contribution, sharing, searching and consuming content, as well as working and playing (Bolton et al., 2013). Dunne, Lawlor & Rowley (2010) found that perceived gratification of using networking sites were entertainment, peer acceptance, relationship maintenance and information seeking. Also Park, Kee & Valenzuela (2009) found information seeking, socializing, entertainment and self-status seeking to be gratifications derived from social media use. Several of these gratifications were also found to be positively related to internet addiction (Song et al., 2004). The socializing gratification was found to motivate users to share news in social media, and can be seen as a major motivating factor for news sharing (Lee & Ma, 2012).

This was also discussed in Schutz (1966) FRIO model, where he explains that people engage in interpersonal communication because of their motivation to

fulfill one or more of three interpersonal needs. The needs *inclusion* and *affection* is found to have a positive effect on how active consumers are on social media, while the third need *control* is not as relevant in this context (Ho & Dempsey, 2010). Inclusion is a person's need to be part of a group and the need to be different. Flanagin and Metzger (2001) found that communication needs like social bonding and relationship maintenance can be related to the internet use context and not only for face-to-face communication. People use social media to connect and keep in touch with family and friends, as well as people they do not see as much (Whiting & Williams, 2013). The second need is affection, which are needs related to intimacy, warmth and emotional involvement, and is based on love and affection. It is shown that consumers are driven by altruistic motives, not just offline, but also in the online environment (Phelps, Lewis, Mobilio, Perry & Raman, 2004). Whiting and Williams (2013) argue that people use social media to connect with each other, which may be because social network sites provide the user with better opportunities to fulfill the need of belongingness and togetherness than does email. The fact that social media gives consumers the possibility to stay connected with significant contacts, leads to higher activity in social media. Always being logged in can also facilitate users' development of their social relationship because their social interactions and engagement increases (Chu & Kim, 2011).

To share news in social media, you must be connected to a social network, indicating this can be a reason for consumers being always logged in. People try to gain status by discussing and commenting on social media platforms, and they have the desire to obtain reputation and do not want to be perceived different or less important socially than others. There are reasons to believe people are always logged in because they want to be perceived just as important as the people around them. Research has shown that several uses and gratification have an effect on the amount of time spent on social media, and states that people are always logged in to fulfill certain needs and achieve gratification.

H4: Habits, uses and gratification is positively correlated with being Always Logged-in

2.9 Fear of Missing Out

Having the "Fear of Missing Out" (FoMO) is characterized as the desire to stay continually connected with what others are doing (Przybylski, Murayama, DeHaan & Gladwell, 2013). This is related to being scared of missing out on something important or being excluded from social circles (Andreassen et al., 2015). Participating in social media may be attractive for consumers with the fear of missing out, as these tools provide great level of social involvement. Much of the communication regarding social activities are being distributed over social media, indicating the need to be online to be social. FoMO can be related to psychological health and well-being, as it is shown that the "tethered self" provided by always being logged in can distract consumers from important social experiences in the time here and now (Przybylski et al., 2013). Activities and invitations are often being posted on the internet, so not being online can result in missing out on certain activities with friends and family (Andreassen et al., 2015). We can therefore expect FoMO to have an effect on the consumer trend ALI.

H5a: Fear of Missing Out is positively correlated with being Always Logged-in

Przybylski et al. (2013) found a link between FoMO and the engagement in social media, where consumers high in FoMO look at opportunities to engage in social media technology and can serve as a mediator in the relation between psychological need and social media engagement. There are reasons to expect that consumers high in FoMO are more likely to adopt social media technology, mainly because of their fear of missing out on social activities.

H5b: Fear of Missing Out is positively correlated with adoption of social media technology

2.10 Social norms

An individual's behaviors can be predicted by the normative perceptions regarding a certain behavior. Ajzen (1991) explained the subjective norm to be the perceived social pressure to perform or not to perform the behavior. He found the subjective norm to influence a person's intentions. Normative influences can affect a person's' attitudes, norms and values, and lead to a certain behavior. The subjective norm is a significant predictor of especially younger people's'

intentions to engage in frequent use of social networking sites (Burnkrant & Cousineau, 1975; Baker & White, 2010). Also Pelling and White (2009) found that young adults feeling high pressure from others, are more likely to engage in high-level social network use (Pelling & White, 2009). In regards to Facebook usage, the subjective norm does have an influence, which shows the effect on normative pressure in the social network context (Cheung, Chiu & Lee, 2011). This indicates that people will have a stronger intention to engage in social media and being always logged in if they believe this is the norm among significant others.

H6a: Social norm is positively correlated with being Always Logged-in

Theory of Reasoned Action (TRA) is a well-known model often used to explain behavioral intention, and according to TRA social norm has a direct effect on behavioral intention (Fishbein & Ajzen, 1975). Nysveen, Pedersen & Thorbjørnsen (2005) found normative pressure to have an effect on the intention to use mobile services, as well as studies have shown that consumers' media use is affected by social influence (Venkatesh & Davis, 2000). Therefore, social norm is expected to have a direct effect on adoption of social media technology.

H6b: Social norm is positively correlated with adoption of social media technology

2.11 Return on Time (RoT)

RoT refers to people wanting to fill their time with the optimal number of self-fulfilling experiences and increase their subjective well-being. Andreassen et al. (2015) found that when individuals choose to use scarce time on a specific activity, they expect a maximum benefit in terms of efficiency and and the quality of an experience. An individual optimizes their RoT when they can use more time on activities that will give them self-fulfilling experiences. According to Andreassen et al. (2015, p.20) optimizing RoT means "finding the optimal balance between the quality and quantity of experience, given the time available.". The balance is achieved by a combination of three unique and interdependent drivers; saving time, buying time and spending time, where time spending is highlighted as the most important. Aaker, Rudd and Mogilner (2011) indicates

that spending time on the right kinds of activities and with the right kind of people can make people happier and increase their well-being, which can be related to Andreassen et al. (2015) findings showing that an increase in RoT leads to increase in well-being.

Subjective well being (SWB) refers to people's evaluation of their own lives, both affective and cognitive. People sense a high SWB when they are engaging in interesting activities and are satisfied with their lives (Diener, 2000). When the basic need for humans are met, people move into a new phase where they are concerned with their self-fulfillment. Diener (2000) argue that SWB is individual and that a person's personality influence people's subjective well-being. Well-being can be divided into two categories; external and internal. External is related to family life, while internal refers to self esteem and effectiveness (Lane, 1993).

Boven (2005) found that investing in life experiences makes people happier than investing in material possessions, which implies that increase in material goods does not necessarily lead to happiness. Aaker et al. (2011) also argue that money does not have to be a driver of happiness, and that time can be just as important in explaining happiness, because time can give personal and relational meaning. This can be seen in context with gratifications related to social media usage, as two of the most important gratifications are relationship maintenance and socializing, which indicates that spending time on social media can lead to happiness and increase in well-being. Mobile devices and social technologies are portable and give consumers the opportunity to be logged in and have access to information anywhere and at anytime. This can lead to time being saved, and they can achieve a more efficient time usage. By using social media technologies people can free up time as these technologies gives the opportunity to access information and maintain relationship whenever and wherever they are (Andreassen et al., 2015). Based on this, consumers can optimize their RoT when spending more time on social media technologies, as social media technologies will give them self-fulfilling experiences.

H7: Always Logged-in is positively correlated with Return on Time

It is argued that convenience of a service can have an effect on consumer adoption (Berry, Seiders & Grewal, 2002). Time and effort required to adopt and use a service are essential in consumer's perception of service convenience, meaning consumer's perceptions will be lower if there are high time costs related to the service. Whether a product or service can achieve marketing effectiveness is a function of saving consumers time, and not as much about saving money. Berry et al. (2002) stated that all marketing performances that require customer time and effort fall within the concept of service convenience, indicating it is relevant to evaluate social media based on this construct. As social media technology gives the opportunity to save time and spend it on self-fulfilling activities, time cost related to social media usage is considered to be low, making it a convenient service (Andreassen et al., 2015). When individuals try to reduce time voluntarily, their perception of service convenience is likely to increase. As most people use social media on a voluntary basis, as well as it can be seen as a convenient service, it will likely have an effect on adoption.

H8: Return on Time is positively correlated with the adoption of social media technology

2.12 Explaining the model

We have reached 10 hypotheses we believe will be of importance when answering our research question and reaching a conclusion. The hypotheses are summarized in the model below, and the literature found support the correlation between the different variables and how they have an effect on the adoption of social media technology.

From our hypotheses H1 and H2, we propose that the variables perceived ease of use and perceived usefulness is positively correlated and has a direct effect on the adoption of social media technology. Furthermore, we state in the hypotheses H4, H5a and H6a, that the variables habits, uses and gratification, FoMO and social norm is positively correlated with the consumer trend ALI, which in turn is correlated with the adoption of social media technology(H3). From our hypotheses H5b and H6b we believe that FoMO and Social Norm also can have a direct effect on adoption. Further, we propose that the consumer trend RoT is a

consequence of the consumer trend ALI (H7), while RoT is positively correlated and has a direct effect on the adoption of social media technology(H8).
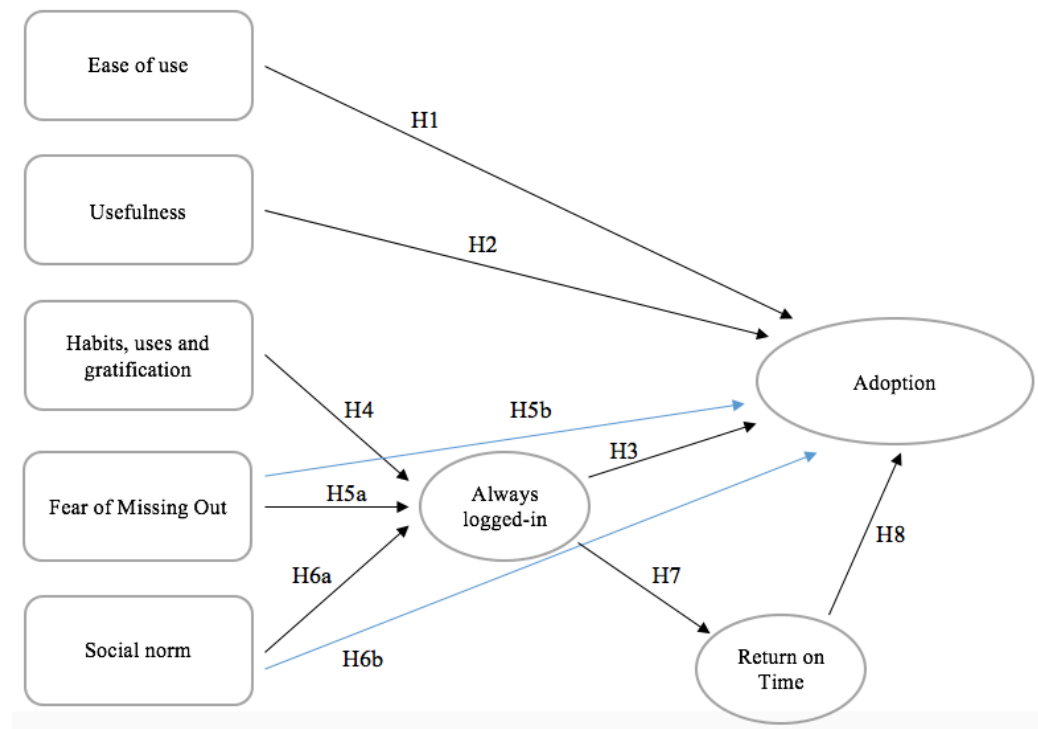
3.0 Methodology

The knowledge about this topic can be seen as divided, as more previous research has been done on adoption and social media than on consumers' trends occurring in the market. We must evaluate whether it is necessary to use a mixed method including both quantitative and qualitative design in our thesis. By using an exploratory design, and conduct focus group we can gain insight to areas with little existing information, which gives us a better understand of the topic. Focus groups can facilitate the surveys design, both in question formulation and wording on particular questions. This means if a focus group if chosen, it will be used as a complementary method for the survey, as a focus group can help us develop items measuring constructs of ALI and RoT, and its effect on social media adoption. The survey is found to be the most appropriate quantitative method to use in our study, as it lets us collect a large amount of data in a relatively short time period. The survey will be pre-tested before administered to our research sample, making it able for us to see what questions that work well and which to add or eliminate. The survey will be used to examine the behavior, characteristics and opinion of the population in relation to the different variables and hypothesis we want to test.

As the objective of this study is to identify how the consumer trends ALI and RoT influence social media technology adoption among consumers, the target population will be Norwegians who use social media on a daily basis. In order to have a sample that represent the population, the sample will be conducted on social media platforms, since social media is the industry we are analyzing. Choosing social media as the questionnaire type gives us high geographically flexibility, and we will avoid respondents being influenced by the interviewer. With a confidence interval of 0.95, a sample size of approximately 500 respondents will be necessary to obtain a low margin error, which is important when trying to draw conclusions about the population. When sampling participants, the non-probability sampling technique convenience sampling will be used. The technique enables us to achieve the sample size we want in a relatively fast and inexpensive way. We are aware of the disadvantages regarding sampling error and low credibility, and will take this into consideration in our study.

4.0 Conclusion

This study is expected to provide managers valuable insight about why consumers adopt social media technologies on the basis of the consumer trends ALI and RoT. Based on our well elaborated survey, we expect to find positive correlations between these trends and the adoption of social media technologies, as ALI and RoT are trends reflecting consumer's behavior. Previous research has presented different antecedents explaining why people are logged in on social media platforms, and therefore, it is likely to expect that habits, uses and gratification, FoMO and social norm will have a direct effect on ALI. The increasing desire among consumers to save time and spend it on self-fulfilling activities, indicates that ALI will be positively correlated with RoT. Even though it has yet to be identified, we expect direct effects on all our hypotheses.

The results from our study will give managers interesting information about what leads to higher adoption likelihood of social media technologies. Managers and researchers within the social media industry will find our results highly relevant, as it gives them a deeper understanding of consumer trends in the market, and

which factors that affect their adoption intentions. By using this information, they will be able to create social media innovation that are more likely to be adopted by consumers. We are aware that consumer trends will changes over time, but with the increase in social media usage and social media technologies, we believe these trends will be present for many years to come. If consumer trends were to change, our study has given managers the knowledge of how important different trends are in the adoption process of social media technologies.

The sampling technique for the survey will be based on convenience, which can be a threat to the validity of the study as the sample might have limited geographical differences. Participants in our survey will most likely not be assigned randomly to join the survey, meaning we have to be aware of possible sampling biases. Another geographical limitation is that the survey will only be distributed in the Norwegian market. This can lead to the sample composition being too narrow, which is a threat to the external validity of the study. Findings from the Norwegian market might not be applicable to other markets and countries.

The relevance and increase of social media technology shows the importance of developing an even deeper understanding of what influences the likelihood of adoption. We believe our study can be a contribution to the social media industry, to make it develop even further, in line with consumer wants and needs.

5.0 References

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6.0 Progress Plan

01.02	Deadline for the preliminary hand-in
01.02-20.02	Finalize literature review and hypotheses
21.02-13.03	Develop pre-test and send it out (if relevant, recruit people to focus group)
14.03-03.04	Complete survey and send it out
04.04-19.05	Analyze quantitative results
20.05-01.07	Write up final thesis (discussion of findings, implications, limitation, further research etc.)
02.07-31.07	Be evaluated by an external reader
01.08-01.09	Final touch and changes- hand in the master thesis