UNIVERSITY OF SOPRON FACULTY OF ECONOMICS

The István Széchenyi Doctoral School of Economics and Management

The Effect of Online Trust on the Relationship between Social Media Networks and Enhancing Brand Image.

Ph.D. DISSERTATION

By: Munif Mohammed Ali Al Zoubi

Supervisor:

Dr. Nicole Mau

Sopron

2021

| Doctoral school: |
|---|
| Alexandre Lámfalussy Faculty of Economics |
| István Széchenyi Economics and Management Doctoral School |
| The topic of the dissertation: |
| The Effect of Online Trust on the Relationship between Social Media Networks and Enhancing Brand Image. |
| Head of the doctoral school: |
| Prof. Dr. Obádovics Csilla, PhD |
| Supervisor of the dissertation: |
| Dr. Nicole Mau |
| Dicole Man |

Signature of the supervisor

Contents

| Abstract Error! Bookmark not define | | |
|-------------------------------------|--|--|
| 1 | Introduction | |
| 2 | Mehodology | |
| 3 | Findings | |
| 4 | Conclusion | |
| 5 | Practical Limitations and Future Work 18 | |
| O, | vn publications20 | |

Abstract

The Effect of Online Trust on the Relationship between Social Media Networks and Enhancing Brand Image.

With the growth of social media, many opportunities are now available for businesses to enhance their brand image by connecting with their prospective consumers. Social Media platforms such as Facebook, Twitter, and Instagram allow businesses to form connections on a deeper, more profound level, which could further increase the consumer's trust in the organization's brand. Social Media as the main connection tool has become more and more common in the past years. Marketers are trying to utilize more social media platforms for their organizations by implementing new social initiatives, exploring new platforms, and maintaining their already established ones. Currently, it has become hard to find any business with no social media presence.

There is literature focusing on the relationship between social media and enhancing a brand's image, which is apparent with the number of businesses using social media; to communicate with their consumer and making it a large part of their brand-building strategy. However, there was a lack of literature that discussed how the customer trust variable affects the relationship between social media and enhancing a brand's image. The present study seeks to support the discussion and argument about social media networks and enhance brand image. And the contribution to the obtainable literature comes from exploring the relationship between social media networks and enhancing brand image

For this study, secondary data was collected by reviewing the literature and previous studies related to social media networks, brand image enhancement, and online trust. The researcher gathered, examined, summarized, and compared data, theories, models, and results from different data sources such as texts, books, articles, managerial journals, electronic sources, and published reports. Primary data was gathered through a questionnaire and multiple interviews conducted with businesses of different sizes and from different industries. Using a mixed method matches with the pragmatism philosophy, descriptive-explanatory purpose, quantitative technique, qualitative technique, both interviews and survey approach to collect primary data.

The sample of the study must accurately represent the population for generalization. Accordingly, the sample size is influenced by: the degree of heterogeneity in the

population, desired precision, and the number of subgroups of interest. The questionnaire was distributed to 859 Jordanian participants online, as this study was applied to the social media users in Jordan. Furthermore, the interviews conducted were with 8 businesses from 4 different industries and from 2 different sizes.

The findings of the study supported the discussion and argument about social media networks and enhancing brand image. Moreover, the results showed that customer trust significantly impacted the relationship between social media and strengthening a brand's image. Furthermore, the research focused on Jordan and the social media demographics in Jordan and compared the perception of social media in different demographics according to gender, age, and educational level, finally the study compared between the use of social media in small and large businesses of the same industry. The perception of social media had no significant difference among respondents according to gender and academic status. However, the age variable caused a significant difference in perception.

1 Introduction

According to Floridi (2009), the internet may be considered one of the great scientific revolutions; Floridi believes that the internet is among the four greatest scientific revolutions in history. His opinion on the matter still holds to this day.

The internet began as a tool for sending and receiving the message. However, later on, it experienced rapid growth changing it to become essential in most people's everyday lives.

The internet was the key to many of the current disrupting innovations, such as emails, online video streaming similar to Netflix, online gaming, and social media.

The internet has become such a pivotal part of our life in the past decade; people could use the internet in most parts of their activities of daily living, from ordering goods online, working, communicating, and entertainment.

Moreover, this usage has increased drastically in the past year due to COVID-19 restrictions; people are being asked to stay at home, causing most companies to urge their workers to work from home. During curfew hours, people usually communicate with friends and family using social media, which helped many social media platforms to increase their user base.

1.1 Social Media

Zarrella (2010) describes social media as a website or application that allows users to share their thoughts and ideas with others or find people with the same interests. In the beginnings of social media, many considered social media to be a fad; the buzz surrounding it will soon wear off.

However, many social media websites have been around for over fifteen years and are still growing rapidly, such as Facebook and Twitter. Social media platforms were developed in the early stages to help users connect with friends, family, and even meet new people online; while disregarding the concept of geographical boundaries. The earliest social media concept was created by the company MacroView in 1997. After many companies saw the concept of Six Degrees, many other social networking sites came along, most noted sites: HighFive, Myspace, and later on Facebook.

With this rapid growth in social media platforms, businesses took note and began using these platforms in their marketing strategies, which revolutionized how marketing is done in most organizations.

The wide dynamic audience is why most marketing campaigns these days are centered on social media marketing. As our representation on social media becomes more imperative, so does the representation of the businesses. To remain competitive on the market, firms ought to be beyond any doubt that they are well represented on diverse social platforms, have a solid association with their customers, and make the services they provide user-friendly and consistent with the consumers.

Nowadays, social media networks have become a line of research attracting much interest; the organization must be aware of the importance of social media networks. Furthermore, because of the crucial role of social media networks in adding more value for brand image in the firm, it has become one of the important topics of business management.

This study will focus on three social media platforms, Facebook, Twitter, and Instagram, and attempt to understand their effects on enhancing a brand's image and how customer trust can affect that relationship.

For this research, the data can be gathered from primary and secondary resources, and both resources are important for the study to achieve its aim and answer its questions. Each resource has its tools to be collected, while primary data can be collected through a questionnaire. Secondary data will be collected through reviewing the literature and previous studies that related to social media networks, enhancing brand image, and online trust.

Brand image has become the main reason for organizational sustainability, and many believe that enhancing a brand's image is the stepping stone to success.

In any organization, enhancing the brand's image is a critical issue to gain advantage and is considered one of the most important assets. In addition, many factors increase the importance of the brand image within the organizations, such as growing globalization. Thus, organizations worldwide are trying to gain a competitive advantage and improve their market share by improving their brand's image using social media.

1.2 Research Importance

Nowadays, social media networks have become a line of research attracting much interest; the organization must be aware of the importance of social media networks. Because of the crucial role of social media networks in adding more value for brand image in the firm, it has become one of the important topics of business management. Brand image has become the main reason for organizational sustainability. The brand image is the stepping stone to success. In any organization, efficient brand image is a critical issue to gain advantage and is considered one of the most important assets. Many factors increase the importance of the brand image within the organizations, such as growing globalization. Organizations worldwide are trying to gain a competitive advantage and improve their market share by acquiring an image and using it. The present study seeks to support the discussion and argument about social media networks and to enhance brand image. And the contribution to the obtainable literature comes from exploring the relationship between social media networks and enhancing brand image

1.3 Research Objectives

Nowadays, as the world lives under globalization and intense competition with rapid variations, organizations need social media networks. To operate under complete integration through using ICT, CRM to enhance brand image as a get customer satisfaction and improve the organization performance. This dissertation aims to provide and test the effects online trust has on the relationship between social media networks and enhancing brand image. To achieve this purpose, some objectives were detailed as follows:

- To measure the impact of social media networks (Facebook, Twitter, and Instagram) on enhancing brand image.
- Investigate the moderating effect of online trust on the relationship between social media networks and enhancing brand image.
- To attempt to get a better understanding of the demographics of social media users in Jordan.

14 Conceptual Illustration

Based on the study problem and after doing a literature review about social media networks and brand image, it found that the most important social media networks and most spread among users are these mentioned in the model.

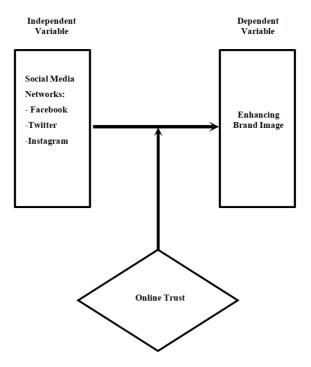


Figure 1: Conceptual illustration

1.4 Research Hypotheses

Based upon the literature review and the conceptual illustration provided in Figure (1), the following hypotheses were formulated and developed:

Ho1: There is no impact of social media networks (Facebook, Twitter, and Instagram) on enhancing brand image at a level ($\alpha \le 0.05$).

Three sub-hypotheses were formulated in this research:

- **Ho1-1:** There is no impact of Facebook on enhancing brand image at level ($\alpha \le 0.05$).
- **Ho1-2**: There is no impact of Twitter on enhancing brand image at level ($\alpha \le 0.05$).
- **Ho1-3**: There is no impact of Instagram on enhancing brand image at a level ($\alpha \le 0.05$).
- **Ho2:** There is no significant moderate impact of online trust on the relationship between social media networks and enhancing brand image at a level ($\alpha \le 0.05$).

Ho3: Higher levels of perceptions of Social Media Networks will be associated with higher levels of Enhancing Brand Image.

Ho4: There is no significant difference in perceptions of social media networks among respondents' groups according to demographic variables (gender, education, and age) at level ($\alpha \le 0.05$).

This Ho4 hypothesis included three sub hypotheses:

Ho4-1: There is a significant difference in perceptions of social media networks according to gender.

Ho4-2: There is a significant difference in perceptions of social media networks according to educational level.

Ho4-3: There is a significant difference in perceptions of social media networks according to age.

2. Methodology

2.1 Research paradigm

The research followed the pragmatism paradigm, pragmatism is a paradigm that focuses on the problem at hand and how to solve it; which aligned with the research objectives of this study, and it advocates the use of mixed methods in research, in this paradigm pragmatism refuses to make a choice between one method or the other if neither will work to achieve the best results for the study, thus pragmatism uses the research methods of both paradigms, in some cases qualitative and quantitative research methods are done simultaneously, and in other cases one after the other allowing the second method to expand on the results of the first method (Margolis 2003).

2.2 Research Strategy

Tesch (1990) believes that qualitative is the only method to examine a hypothesis based on the social world functions. On the other hand, scholars such as Fred Kerlinger believe that everything can be quantifiable and that everything goes back to either one or zero.

The debate regarding the two methods has been going on since the 1980s; where some expected one to emerge victorious over the other, but what has been learned is that both are not mutually exclusive nor interchangeable, which shows that the use of one method is related to the type of study the researcher is doing, and in many cases using both maximizes the strengths of a study (Newman & Benz 1998).

Researchers have been debating which research method is considered the best when data gathering for a study, both quantitative researchers and qualitative ones have valid points to their argument.

However, in this research the method that will be used is a mixed method; which as the name suggests will be both quantitative and qualitative, carrying a mixed method research includes gathering, analyzing and clarifying all the information collected by using quantitative and qualitative methods, there is an increase in the number of researchers that are finding mixed methods as best of both worlds (Onwuegbuzie, Leech 2005).

2.3 Research Type: Applied

Research could be categorized into applied business research and basic business research according to the area of its purpose. Researchers used applied business research to address a particular decision for a precise business or industry. While basic business research (pure research) is manipulated without a particular decision or judgment; and it typically does not meet the requirements of precise firm research. Moreover, basic research tries to increase the boundaries of knowledge in common; consequently, the two natures of research are not separated. This is because basic research frequently provides the fundamentals for future applied research.

2.4 Population and Sampling of the Research

The population is the whole collected entity with a particular set of shared characteristics. The sample size is a part of the population chose in a certain kind of method, which depends on the population of the study and work field. Sample must accurately represent the population for the purpose of generalization. Accordingly, the sample size is influenced by: the degree of heterogeneity in the population, desired precision, and the number of the subgroup of interest. And this study will be applied to the social media users in Jordan and the sample size will be 859 questionnaire takers for the questionnaire part and two companies of different sizes from each four different industries for the interviews.

2.5 Data Collection Methods

Data can be gathered from primary and secondary resources, and both resources are important for the study to achieve its aim and answer its questions. Each resource has its own tools to be collected. Sekaran (2006) argues that the tool of data collection depends on many factors such as the researcher's expertise, the degree of accuracy needed, the time frame for the study, and the availability of expenses and resources to conduct the data collection process. Secondary data can be collected from secondary sources, for example, company records or archives, industries and companies Web site, the internet, books and articles, and so on. In comparison, primary data can be collected through a questionnaire as the researcher knows precisely what is needed and how to measure the intended variables. Otherwise, the researcher should select another method like interviewing or observation (Sekaran, 2006; Zikmund et al., 2011).

For this study, secondary was collected through reviewing the literature and previous studies that related to social media networks, enhancing brand image, and online trust. The researcher gathered, examined, summarized, and compared data, theories, models, and results from different data sources such as texts, books, articles, managerial journals, all electronic sources, and published reports.

Primary data was gathered through a questionnaire distributed to 859 users online, and was distributed through social media groups on multiple social media platforms, and to friends and followers of the researcher online.

Furthermore, the Interviews were conducted with the managers or the employees in charge of social media in multiple businesses. The businesses were taken from four different industries and were from two different sizes for comparison purposes.

Using both methods was a way for the researcher to gather information from both consumers and businesses regarding their social media use.

The questionnaire questions were distributed as follows:

Question 1-10: social media and demographics questions.

Question 11-20: branding questions.

Question 20-33: customer trust questions.

For further information regarding the questionnaire questions please find the questionnaire in appendix (5).

As for the interviews questions and the interviewees please check appendix (6) of the thesis to see the list of interviewees, the industries they were picked from and the questions for the interviews.

2.6 Research Quality Standard

There are two main factors that influence the research outcomes, namely: validity and reliability. These two factors are defined as research quality Sekaran (2006). Research quality is about evaluating the research accuracy and correctness through effective, efficient, and easy-to-use measurement instruments. Accordingly, reliability and validity are the main factors to evaluate the measurement tools in order to reduce the possibility of getting any wrong answer (Blurnberg et al., 2011). In the same contest, Zikrnund et al. (2011) stated that reliability and validity are the two elements for assessing the measurement tools as the quality of research.

2.7 Statistical Methods Used

The study applies correlation and descriptive statistical analysis to express the population sample and examine hypothesis via SPSS software, establishing descriptive analysis to consider frequencies and standard deviations, in addition to the survey's reliability depending on Cronbach's Alpha test. The relationship between variables (dependent and independent) was verified by multi regression test, hierarchical multi regression test, t-Test, F-Test (ANOVA). Furthermore, to define the significant level of each independent variable, Pearson correlation is applied to measure the correlation between independent and dependent variables.

3 Findings:

3.1 Hypothesis testing

The following table summarizes the results of the hypotheses tests.

| Hypothesis | Decision | |
|--|--|--|
| Ho1: There is no impact of social media networks (Facebook, Twitter, and Instagram) on enhancing brand image at a level ($\alpha \leq 0.05$). | The results show a moderate impact by social media on enhancing a brand's image, which indicates that the hypothesis is rejected. | |
| Ho1-1: There is no impact of Facebook on enhancing brand image at level ($\alpha \le 0.05$). | The data showed that Facebook has a moderate impact on enhancing the brand, rejecting the first sub-hypothesis. | |
| Ho1-2: There is no impact of Twitter on enhancing brand image at level ($\alpha \le 0.05$). | The data showed that Twitter has a moderate impact on enhancing the brand, rejecting the second sub-hypothesis. | |
| Ho1-3: There is no impact of Instagram on enhancing brand image at a level ($\alpha \le 0.05$). | The data showed that Instagram has a moderate impact on enhancing the brand, rejecting the second sub-hypothesis. | |
| Ho2: There is no significant moderate impact of online trust on the relationship between social media networks and enhancing brand image at a level ($\alpha \le 0.05$). | Accepted for all organizational factors except lack of support | |
| Ho2: There is no significant moderate impact of online trust on the relationship between social media networks and enhancing brand image at a level ($\alpha \le 0.05$). | This analysis showed that with the moderating variable "Online Trust," there is a significant impact on the relationship between social media networks and enhancing brand image. Thus, the second main hypothesis is rejected. | |
| Ho3: Higher levels of perceptions of Social Media Networks will be associated with higher levels of Enhancing Brand Image. | There were 13 items tested for this hypothesis, and all 13 had a medium level of perception of social media. Thus, showing that higher levels of perceptions of Social Media Networks will be associated with higher levels of | |

| Hypothesis | Decision | |
|--|--|---|
| | Enhancing Brand Image. Consequently, the third main hypothesis was accepted. | |
| Ho4: There is a significant | Gender | accept the null hypothesis and reject the alternative one; the firs sub-hypothesis was rejected. |
| difference in perceptions of social media networks among respondents' groups according to demographic variables (gender, education, and age) at level ($\alpha \le 0.05$). | Educational Level | The second sub-hypothesis was rejected. |
| | Age | The results show that there is a significant difference in the level of perception of social media according to age, causing the third sub-hypothesis to be |

Table 1: Summary of hypothesis tests

Own results

3.2 New Scientific Results

In this chapter the study will present its new scientific results:

- Most social media users in Jordan follow brands, as the questionnaire showed that almost 84% of the questionnaire takers followed brands on social media. Furthermore, the questionnaire showed that 67% trust the brands they are following; which was also confirmed through the interviews.
- The study showed that there was a significant impact of social media on enhancing a brand's image in Jordan.
- 3. The study also showed that Facebook as a platform also has a significant impact on enhancing a brand's image. Furthermore, the data shows that out of all three social media platforms, Facebook had the highest impact on enhancing a brand's image in Jordan, which was supported by the interviews since all businesses, throughout different industries and sizes were using Facebook as one of the main parts of their online strategy.
- 4. The second platform to be focused on, in the study was Instagram, the study showed there was a statistical impact from Instagram on enhancing a brand's image. Although, Instagram does not have as many users in Jordan as Facebook, the interviews showed that all large businesses interviewed were using Instagram as one of their platforms in their online strategy, this could be due to them having larger manpower that smaller ones.
- 5. The study showed that there was a significant impact from Twitter on enhancing a brand's image as well. Although, there was an impact for all three social media platforms, the interviews showed that throughout different industries and different size businesses, none of these businesses used Twitter in their online strategy.
- 6. The study showed that customer trust positively affected the relationship between social media and enhancing a brand image, which shows that with the addition of the moderating variable "Customer Trust," there is a significant impact on the relationship between social media networks and enhancing brand image in the Jordanian market, and this was also supported by the interviews conducted.
- 7. The research confirmed that higher levels of perception of social media is associated with higher levels of enhancing a brand's image, and when the study tested the levels of perception in accordance to demographics in Jordan. The demographics of gender and level of education had no effects on the level of perception. However, the age demographic had a significant difference on the perception of social media.
- 8. Through the interviews with small and large organizations, the study deduced that owners and managers of SMEs; in different industries, believed that customer trust and their brand's image are not tied to their social media strategy. On the other hand, when interviewing the large businesses, all participants expressed how much their social media presence, and the online trust of their followers affected their brand's image.

4 Conclusion

Social media is now one of the main online marketing tools for any organization. Its growth and increase in the number of platforms forced marketers to incorporate it into their marketing strategies. The study attempted to better understand social media marketing and its platforms, focusing mainly on three main platforms: Facebook, Twitter, and Instagram. Furthermore, the literature gathered attempted to give a better understanding of "Branding" and branding models.

The relationship between social media and enhancing brand image was explored by previous research in the literature. The literature gathered explored this relationship, and the results of this research regarding this topic mirrored many of the results from previous research.

Furthermore, the research explored the effects of the perception of social media platforms and how it affected brand image enhancements; the respondents showed a medium level of perception, which meant that the higher levels of perceptions did indeed positively affect brand image enhancement.

The research focused on Jordan and the social media demographics in Jordan and compared the perception of social media in different demographics according to gender, age, and educational level. The perception of social media had no significant difference among respondents according to gender and educational level. However, the age variable caused a significant difference in perception.

The research contributed to the current knowledge by adding "Customer Trust" as a moderating variable by using two models; with the customer trust variable and one without, the results showed that customer trust added a significant positive impact on the relationship between social media and enhancing a brand's image.

5 Practical Implications and Future Work

5.1 Practical Implications

The study has some implications that managers in Jordan can make use of when implementing their online strategy. Due to social media platforms in Jordan still being in their growth phase, and with companies still facing many challenges while choosing social media platforms and gaining customer trust online, the study might be of use to businesses, whether a large corporation or small businesses. However, businesses should keep in mind that the data provides a general outlook and that the benefits could vary according to the industry, targeted demographics, and social media platforms used.

Information on the most popular social media platforms in Jordan was provided through the literature. Marketers and managers could choose which platform they would use according to their businesses and targeted demographics.

The findings of the study provide a better understanding of the social media platforms and demographics in Jordan; this data can provide businesses with the information needed to better understand the demographics of social media users in Jordan and how the perception of social media networks of these demographics can affect their brand's image.

Furthermore, based on the results of the study and the literature, the study shows that businesses should focus on gaining consumer trust online to enhance their brand's image, as it has a significant impact on enhancing the brand. The study suggests that businesses attempt to foster trust in their organization.

The study suggests for businesses to create a social media team to constantly upload and maintain their social media profiles, and to monitor the consumer communication and mentions on social media platforms, the team should read consumers' grievances or recommendations to their businesses carefully, this could help foster a relationship with the consumers and help build trust in the businesses, and by gaining the current followers' trust, WOM can assist in gaining more followers. Furthermore, as highlighted by See-To & Ho (2014) and Lee & Watkins (2016), positive recommendations from peers can enhance consumers' trust and purchase intentions.

As for "Branding," the study gave a better understanding of "Branding" concept and provided multiple branding models for businesses to choose from according to the business's strategy.

5.2 Limitations and Future Work:

As with every research, some limitations can restrict the researcher from expanding more on the data. For example, in this research, the study sample was restricted to the country of Jordan. Thus the results cannot be generalized, and the results most likely would differ in other countries due to the social media platform preferences differing from one country to another.

Furthermore, due to the COVID-19 restrictions, the data was gathered through online questionnaires on Facebook, thus not allowing the research to explore what social media platforms the respondents were using at the time; since all the respondents had to have a Facebook account to answer the questionnaire, and this was due to the questionnaire not receiving many answers on other platforms. In the future, a physical questionnaire could give a better understanding of which social media platforms the respondents prefer.

Own Publications:

Al-Zoubi, Munif (2021) "Social Media Demographics in Jordan and the Effects of Online Trust on Branding using Social Media Platforms", INTERNATIONAL JOURNAL OF PSYCHOSOCIAL REHABILITATION, 25 3 pp 184-203 (2021)

Al-Zoubi, Munif & Alkhlaifat, Osama (2021), "Gender Influence on the Organizational Silence in the School Sector in Amman, Jordan.", INTERNATIONAL JOURNAL OF PSYCHOSOCIAL REHABILITATION, 25 2 pp 803-825 (2021)

Al-Zoubi Munif (2017), "The Difference in Uses of Facebook in Small and Large Businesses". Pp. 153–66 in *GEOPOLITICAL STRATEGY IN CENTRAL EUROPE*. Hungary: Alexandre Lámfalussy Faculty of Economics, University of Sopron.

Al-Zoubi, Munif (2020), "The Usage of Twitter in Small Businesses in Countries with a Small Twitter User Base.", INTERNATIONAL JOURNAL OF ADVANCES IN MANAGEMENT AND ECONOMICS (2278-3369): 94 pp 1-10 (2020)

Alkhlaifat, Osama, and Munif Alzoubi. n.d. "The Organizational and Human Silence Factors and Their Impact on the Decision-Making Process in the Public Schools." Dirasat.

Al-Zoubi, Munif (2021) "The Growth of Influencer Marketing: A TikTok and Instagram Comparison", THE EUROPEAN UNION'S CONTENTION IN THE RESHAPING GLOBAL ECONOMY, 4th workshop in cooperation with the European Association for Comparative Economic Studies, 20-21 May 2021, Szeged, Hungary, [Online Conference]