Older Consumer's Willingness to Trust Social Media Advertising: A Case of Australian Social Media Users

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Abstract

Social media networks have become the hotbed for advertising activities, due mainly to their increasing consumer/user base, and secondly, owing to the ability of marketers to accurately measure ad exposure and consumer-based insights on such networks. More than half of the world's population (4.8 billion) now uses social media (60%), with 150 million new users having come online within the last 12 months (to June 2022). As the use of social media networks by users grows, key business strategies used for interacting with these potential customers have matured, especially social media advertising. Unlike other traditional media outlets, social media advertising is highly interactive, and digital channel-specific. Social media advertisements are clearly targetable, providing marketers with an extremely powerful marketing tool. Yet despite the measurable benefits afforded to businesses engaged in social media advertising, recent controversies (such as the relationship between Facebook and Cambridge Analytica in 2018) have only heightened the role trust and privacy play within these social media networks.

Using a web-based quantitative survey instrument, survey participants were recruited via a reputable online panel survey site. Respondents to the survey represented social media users from all states, and territories within Australia. Completed responses were received from a total of 258 social media users. Survey respondents represented all core age demographic groupings including Gen Z/Millennials (18-45 years = 60.5% of respondents), and Gen X/Boomers (46-66+ years = 39.5% of respondents). An adapted ADTRUST scale, using a 20 item 7-point Likert scale, measured trust in social media advertising. The ADTRUST scale has been shown to be a valid measure of trust in advertising within traditional different media, such as broadcast media and print media, and more recently the Internet (as a broader platform).

The adapted scale was validated through exploratory factor analysis (EFA), resulting in a three-factor solution. These three factors were named reliability, usefulness and affect, and the willingness to rely on. Factor scores (weighted measures) were then calculated for these factors. Factor scores are estimates of the scores survey participants would have received on each of the factors had they been measured directly, with the following results recorded (Reliability = 4.68/7; Usefulness and Affect = 4.53/7; and Willingness to Rely On = 3.94/7).

Further statistical analysis (independent samples t-test) determined the difference in factor scores between the factors, when age (Gen Z/Millennials vs. Gen X/Boomers) was utilised as the independent, categorical variable. The results showed the difference in mean scores across all three factors to be statistically significant ($p < 0.05$) for these two core age groupings:

- Gen Z/Millennials Reliability = 4.90/7 vs Gen X/Boomers Reliability = 4.34/7;
- Gen Z/Millennials Usefulness and Affect = 4.85/7 vs Gen X/Boomers Usefulness and Affect = 4.05/7; and
- Gen Z/Millennials Willingness to Rely On = 4.53/7 vs Gen X/Boomers Willingness to Rely On = 3.03/7.

The results clearly indicate that older social media users lack trust in the quality of information conveyed in social media ads, when compared to younger, more social media-savvy consumers. This is especially evident with respect to Factor 3 (Willingness to Rely On), whose underlying variables reflect one's behavioural intent to act based on the information conveyed in advertising. These findings can be useful to marketers, advertisers, and brand managers in that the results highlight a critical need to design 'authentic' advertisements on social media sites to better connect with these older users, in an attempt to foster positive behavioural responses from within this large demographic group – whose engagement with social media sites continues to increase year on year.

Keywords

Social media advertising, trust, older consumers.