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LOST IN THE ETHER: THE IMPACT OF PLATFORM HEGEMONY ON SOCIAL MEDIA MARKETING

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Introduction

As the digital economy matures, the appropriation of the internet by commercial interests has become axiomatic. Social media in particular, has been popular with brand owners seeking commercial relationships with increasingly fragmented audiences. Small firms previously excluded from mass-market media due to cost were lured to social media with many placing these platforms at the centre of their customer communications (Cooper et al. 2019). However, organic content strategies that use social media platforms to freely conduct consumer-brand dialogue are under threat (Fulgoni 2015; Loten et al. 2014). The monetisation of the leading platforms who now demand payment for such service (Appel et al. 2019) is supported by algorithms designed to filter unpaid promotional material. A profound impact on diversity and the reduced autonomy and visibility of brands unable to pay for such communication (Bucher 2017; Just & Latzer 2017) has been the result.

Contemporary academic literature rarely focuses on the oppression and dispossession of business users at the hands of multi-national tech giants. In the context of this emergent neo-colonialist struggle, we examine the power dynamic in commercial relationships between brands and social media platforms. Using empirical data derived from social media marketing practitioners, this exploratory research maps a coercive relational paradigm and explores the deepening customer access divide in an increasingly binary system.

Research Method

A sample was recruited in the UK and Australia comprising social media practitioners with high levels of cultural competence. Informants were drawn from both large and small branded companies in the fashion industry as well as specialist agencies servicing the sector. The fashion industry was chosen for its high uptake of social media and the

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socially validated nature of consumption disseminated through peer networks (Wolny & Mueller 2013).

In-depth interview data were collected from 17 respondents and analysed using a constructivist grounded theory approach designed to understand the lived experience of informants (Charmaz 2014) to document their relationships with social media platforms.

Results & Discussion

The key findings are classified according to three salient observations derived from the interviews and are discussed below.

Change as a Weapon: All respondents reported a growing complexity and faster pace of change in social media noting that maintaining currency has a profound impact on both the individual's career prospects and the company's fortunes via the visibility of its brands. Much of the relentless change is implemented by the platforms in a reactionary arms race to ward-off current and future competitors. The effect of this constant state of flux serves to lock firms into the system, subjugating users to a position of extreme dependence on platform beneficence.

Knowledge is Power: Resource dependency theory suggests that "power accrues to those who control resources needed by the organisation" (Mitchell et al. 1997 p.863). In the dynamic empirical context of this study, the knowledge acquired by the social media platforms embedded in the user data they collect is shared sparingly. Client brands who pay to boost their social media content, limited to the larger firms in our sample, are rewarded with rich insights. They receive extreme privilege in return for their patronage including seminars, bespoke workshops and face-to-face meetings with dedicated account managers. Most importantly, the intelligence they receive perpetuates a virtuous circle whereby practitioner expertise improves when this knowledge is shared by the platforms, allowing managers to develop more effective campaigns that reinforce their market position. In contrast, small entities who run unpaid (organic) content marketing campaigns receive no assistance from the social media owners and are left to guess how best to manage their communications in the face of the latest platform changes.

Organic Death: The user-pays system is universally acknowledged by informants in the study as the end of the social media 'free ride'. Even practitioners from large well-resourced companies find little success in organic campaigns. Informants describe a cynical view of their highly mercenary relationship with the social media platforms consistent with the view of post algorithmic social media as a plutocracy (Cotter 2019).

The relationships reported in this study appear typical of post-modern commercial relationships which are frequently ambiguous and paradoxical (Esmann Andersen & Ellerup Nielsen 2009). On the one hand, the descriptions provided by our sample challenge the symbiosis inherent in traditional stakeholder theory (Freeman et al. 2012). Simultaneously, they are consistent with the stakeholder approach whereby firms (social media platforms in this instance) acquire power when they hold a central (and dense) position in a stakeholder network (Sedereviciute & Valentini 2011).

Implications

The findings highlight the importance of extending our attention beyond the impact of platform hegemony on users and the community at large to also include commercial relationships. The emergent binary system imposed on firms in our sample reinforces persistent structural power relations. Limiting the end-user's (consumer's) exposure to new and different (fashion) experiences and products outside the current orthodoxy may be seen to represent a form of cultural tyranny placing platform-initiated limitations on personal self-expression. At the very least, the social media power imbalance has dire implications for the future opportunities of smaller enterprises and independent entities to engage audiences, potentially locking them into a communications poverty cycle.

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