

# Do SMES Have to Build a Para-social Relationship on Social Media?

Nizar Alam Hamdani<sup>a\*</sup>, Anggun Oktavia Herlianti<sup>b</sup>, <sup>a,b</sup>Universitas Garut, Indonesia, Email: <sup>a\*</sup>[nizar\\_hamdani@uniga.ac.id](mailto:nizar_hamdani@uniga.ac.id)

It is necessary for SMEs to build long-term relationships with customers in an effort respond to their expectations in a timely way. The present study examines the effectiveness of a para-social relationship between a handmade shoe enterprise and social media. Data was collected through an explanatory survey. Respondents were Instagram followers of the handmade shoe enterprise in question. These respondents were chosen using an accidental sampling technique. Data analysis shows that a para-social relationship is one factor worthy of consideration in creating relationships between SMEs and customers via social media such as Instagram. It is concluded that SMEs can build effective para-social relationships with customers in order to build efficacy and trust.

**Key words:** *Para-social relationship, SMEs, social media.*

## Introduction

A para-social relationship is examined in this study in order to understand and overcome problems related to customer equity. In light of this, a special market relationship theory forms part of holistic marketing. Building an effective para-social relationship is a crucial part of customer relationship management activities that SMEs can develop (Neslin, 2014). This can be done by using social media to maintain ongoing interactions with customers (Lin, Kim, & Jin, 2016). The concept of para-social relationships was introduced by Donald Horton and Richard Wohl in 1956. It is a relationship where TV viewers have a special one-way and non-dialectical relationship with their favourite celebrities (Ballantine, 2005). Para-social relationships expand social networks in a way that negates the probability of rejection and empowers individuals to model and identify the individuals they choose who naturally elicit empathic responses (Ding & Qiu, 2017). For some people, the nature of one-sided

relationships provide relief from strained, complementary relationships in real life (Farhani, 2017). Para-social relationships are cultivated by the media to resemble face-to-face relationships (Banks & Bowman, 2016). With a para-social relationship, the audience feels an intimacy with certain television commercials (Jeong & Park, 2015). Subsequently, this study considers para-social relationships and the role of social media to build by SMEs consumer personalities (Lee & Lee, 2017). A para-social relationship is likely to encourage beneficial, strong, and unique associations in consumers' memories (Kotler & Armstrong, 2015). The underlying assumption for SMEs to build para-social relationships with social media is to recognise customers' personalities; the assumption is based on data obtained through their research and development (Bond & Calvert, 2014). Para-social relationships with customers may facilitate sales on social media so that SMEs can manage them as long-term assets (Schmid & Klimmt, 2011).

A social media platform provides an environment for social media users to be socially and para-socially connected: social interactions and relationships require reciprocity, whereas para-social interactions and relationships are one-sided and create an illusion of intimacy from a distance (Hamdani & Maulani, 2018). Even so, para-social interactions and relationships (PSI/PSR) have the same characteristics as their social counterparts and are considered an extension of real social behaviour rather than their substitute (Chen, 2016). Interactions between SMEs and customers involve social cognitive processes that do not require identification with them in interactions (Hamdani, 2018). This study considers para-social relationships as a relationship with someone and that a goal exists to encourages commitment (Giles, David, 2010).

Lin et al. (2016) identify three characteristics of para-social relationships that include proximity, similarity and attraction. Proximity refers to the actual physical or conceptual intimacy and plays a major role in identifying relationships as either personal or para-social, depending on the type of interaction (Tsai & Men, 2017). Similarity classifies people with certain characteristics into a group. People tend to like other people who are or who seem similar to themselves. They are attracted to other people who share the same behavioural patterns (Young, Gabriel, & Sechrist, 2012). Attraction occurs when one person is directly oriented in the other direction; this is often depicted in signal and intensity (Abdul, Maulani, & Hamdani, 2019).

## **Method**

This study employed a marketing management approach. The research respondents comprise 266 Instagram followers of a handmade shoe enterprise. These respondents were selected through an accidental sampling technique. Based on the variables, this study is objectively descriptive, describing the characteristics of consumers, sellers, organisations, or market

areas. The output of a study of this kind is usually a typology or characteristics of a selected phenomenon. The study's purpose is to describe procedural mechanisms in order to create a set of categories or patterns. This descriptive research provides an overview of how respondents see para-social relationships on Instagram can be obtained.

## Results and Discussion

Overall, the effectiveness of para-social relationship (x) could be identified based on the score of its dimensions, which include proximity, similarity and attraction. Table 1 below presents responses to para-social relationships the enterprise builds on Instagram. The data was obtained through questionnaires. Similarity scored the highest effect size of 88.85% because respondents believe that para-social relationships could be quickly established because of their intimacy with Instagram. Proximity scored the lowest effective size of 86.54% as the respondents deemed the intensity of communication on Instagram not sufficiently high.

**Table 1:** Responses to Para-social Relationship of a Handmade Shoe Enterprise Build on Social Media

Dimension	Score	Average	Ideal Score	%
Proximity	4,107	1,405.67	4,746	86.54
Similarity	4,217	1,405.67	4,746	88.85
Attraction	6,999	2,333.00	9,92	88.48
<b>Total</b>	<b>15,323</b>	<b>5,144.33</b>	<b>18,984</b>	<b>87.96</b>

With regards to Table 1 above, the fact that similarity scored highest is justified by a previous study. It suggests that the same interest SMEs and customers share will influence relationships (Lin et al., 2016). Overall, the para-social relationship scored 15,323 or 87.96% of an ideal score of 18,984. This ratio indicates that the handmade shoe enterprise has a good para-social relationship with its customers on Instagram as shown in Figure 1 below:

**Figure 1.** Para-social Relationship Continuum Line

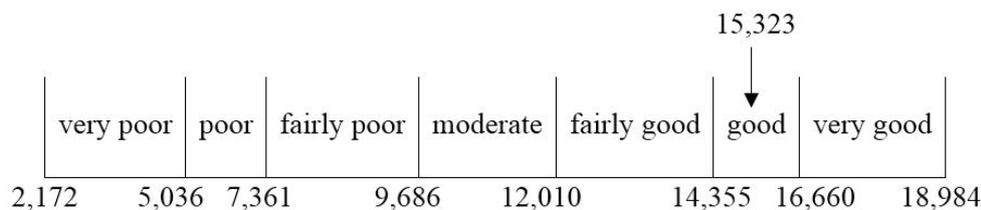


Figure 1 above shows that the obtained score of 15,323 sits in the good category, between the interval scores of 14,355 and 16,660. This concludes that the creation of a para-social



relationship aligns with expectations given that para-social relationships encourage positive customer-owner relationships.

The para-social relationship explored here has three dimensions and twelve indicators. Proximity is indicated by communication intensity, experience and frequency use. Similarity is indicated by how a product can satisfy customers' needs and desire, the appropriateness of product pricing and considerations in purchase decision making. Attraction is indicated by interests in information, benefits, and uniqueness, satisfaction with service, confidence, and recommendations. With regards to these indicators, consideration in making a purchase decision on Instagram scored the highest by 1,433 or 91.21%. On the other hand, the frequency of using Instagram was, indicatively, the lowest score by 1,335 or 84.39%.

Based on the results of this study, it can be concluded that similarity plays an important role in parasocial relationship creation. This is in agreement with a previous study that a good relationship between SMEs and their customers will be established provided that they share the same interests (Madison & Porter, 2016).

### **Conclusion and Recommendations**

This study revealed that factors relating to the creation of a para-social relationship is worth considering between SMEs and their customers as Instagram followers. A good para-social relationship is informed by proximity, similarity and attraction. In this study, similarity scored the highest effect size of 88.85%. Overall, the para-social relationship studied rated in the good category. As proximity scored the lowest, it is suggested that SMEs improve their intimacy with customers. This can be done by being more active on Instagram so that customers are kept informed about new products. Evidently, Instagram is, and can be, an effective platform to improve intimacy between SMEs and their customers.

## REFERENCES

- Abdul, G., Maulani, F., & Hamdani, N. A. (2019). *The Influence of Information Technology and Organizational Climate on the Competitiveness of Private Universities in Indonesia*. (May).
- Ballantine, P. W. (2005). *Forming Parasocial Relationships in Online Communities*. 32, 197–201.
- Banks, J., & Bowman, N. D. (2016). Avatars are (sometimes) people too: Linguistic indicators of parasocial and social ties in player–avatar relationships. *New Media and Society*, 18(7), 1257–1276. <https://doi.org/10.1177/1461444814554898>
- Bond, B. J., & Calvert, S. L. (2014). A model and measure of us parents' perceptions of young children's parasocial relationships. *Journal of Children and Media*, Vol. 8, pp. 286–304. <https://doi.org/10.1080/17482798.2014.890948>
- Chen, C. P. (2016). Forming digital self and parasocial relationships on YouTube. *Journal of Consumer Culture*, 16(1), 232–254. <https://doi.org/10.1177/1469540514521081>
- Ding, Y., & Qiu, L. (2017). The impact of celebrity-following activities on endorsement effectiveness on microblogging platforms. *Nankai Business Review International*, 8(2), 158–173. <https://doi.org/10.1108/NBRI-11-2016-0043>
- Farhani, N. (2017). *Influence of TV Commercial Toward Buying Interest ( Comparison between BliBli . com and Lazada TV Commercial )*. 6(3), 6722.
- Giles, David, C. (2010). Parasocial Relationships. *Characters in Fictional Worlds: Understanding Imaginary Beings in Literature, Film, and Other Media*, (June), 442–457.
- Hamdani, N. A. (2018). Building knowledge-creation for making business competition atmosphere in SMEs of Batik. *Management Science Letters*, 8, 667–676. <https://doi.org/10.5267/j.msl.2018.4.024>
- Hamdani, N. A., & Maulani, G. A. F. (2018). The influence of E-WOM on purchase intentions in local culinary business sector. *International Journal of Engineering & Technology*, 7(2.29), 246. <https://doi.org/10.14419/ijet.v7i2.29.13325>
- Jeong, H., & Park, H. S. (2015). The effect of parasocial interaction on intention to register as organ donors through entertainment-education programs in Korea. *Asia-Pacific Journal of Public Health*, 27(2), NP2040–NP2048. <https://doi.org/10.1177/1010539512472359>



- Kotler, P., & Armstrong, G. (2015). *Principles of Marketing*.  
<https://doi.org/10.2307/1250103>
- Lee, S. A., & Lee, M. (2017). Effects of relationship types on customers' parasocial interactions. *Journal of Hospitality and Tourism Technology*, 8(1), 133–147.  
<https://doi.org/10.1108/JHTT-09-2016-0053>
- Lin, C., Kim, J., & Jin, S. (2016). Parasocial relationship effects on customer equity in the social media context. *Journal of Business Research*.  
<https://doi.org/10.1016/j.jbusres.2015.12.071>
- Madison, T. P., & Porter, L. V. (2016). Cognitive and Imagery Attributes of Parasocial Relationships. *Imagination, Cognition and Personality*, 35(4), 359–379.  
<https://doi.org/10.1177/0276236615599340>
- Neslin, S. A. (2014). Customer Relationship Management ( Crm ) -. *The History of Marketing Science*, 1–14.
- Sabir, S., & Qayyum, A. (2018). Privatization and profit efficiency: evidence from commercial banks of Pakistan. *Journal of Asian Business Strategy*, 8(1), 1-14.
- Schmid, H., & Klimmt, C. (2011). A magically nice guy: Parasocial relationships with Harry Potter across different cultures. *International Communication Gazette*, 73(3), 252–269.  
<https://doi.org/10.1177/1748048510393658>
- Tsai, W. H. S., & Men, L. R. (2017). Social CEOs: The effects of CEOs' communication styles and parasocial interaction on social networking sites. *New Media and Society*, 19(11), 1848–1867. <https://doi.org/10.1177/1461444816643922>
- Young, A. F., Gabriel, S., & Sechrist, G. B. (2012). The skinny on celebrities: Parasocial relationships moderate the effects of thin media figures on women's body image. *Social Psychological and Personality Science*, 3(6), 659–666.  
<https://doi.org/10.1177/1948550611434785>