

HOW PARASOCIAL RELATIONSHIPS ON INSTAGRAM BETWEEN
USERS AND BRANDS CONTRIBUTE TO EQUITY VALUE, BRAND EQUITY,
RELATIONSHIP EQUITY, AND INTENT TO PURCHASE

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ABSTRACT

Parasocial relationship is the phenomenon where a person in an audience extends their emotional energy, interest, and time to an unaware performing party (such as actors, celebrities, social media influencers). There have been a number of previous studies that examine the Parasocial Relationship between online influencers (or digital celebrities) and their followers. There is a positive correlation found between Parasocial Relationships and followers purchasing intentions, which is what leads brands to invest in influencers as a form of social media marketing. However, there are few studies published that look at Parasocial Relationships as a tool for direct marketing from brands. This thesis focuses on how brands, using Instagram, can form direct Parasocial Relationships with their potential, current, and former consumers. These Parasocial Relationships will then be examined in relation to Brand Value which consists of Brand Equity, Equity Value, Intent to Purchase, and Relationship Equity. The psychosocial factors Empathy, Loneliness, Low Social Self-Esteem, Information Seeking, and Relationship Building will also be examined in relation to Parasocial Relationships and Brand Value.

An online survey was distributed to Instagram users who were above the age of 18 and followed at least one brand who they were currently or formerly customers of. The sample was taken from University of Hawaii undergraduate students, Instagram users who followed several Hawaii-owned businesses, and people who were reached via electronic word of mouth. The data was then analyzed using Cronbach's Alpha and Pearson's Correlation to see the relationships between each variable. The study found several key things. Firstly, Empathy, Information Seeking, and Relationship Building was a strong predictor of Parasocial Relationships. Secondly, Parasocial Relationships were found to have a strong relationship with Brand Value. Equity

Value, Brand Equity, and Relationship Equity were all significantly correlated with Parasocial Relationships.

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CHAPTER 1. INTRODUCTION

Parasocial relationships have been noted and studied for several decades. The concept was defined by Horton (1956), who observed a “para-social interaction” in new mass media (radio, television, and movies). The phenomenon was that the illusion of a face-to-face relationship was created between the performer and the spectator. Since its theoretical conception, this relationship has been observed in all types of media, including social media such as YouTube and Instagram. This thesis explores the topic of Parasocial Relationships and their value to brands on the social media platform, Instagram. While there has been extensive research on how brands utilize celebrities and social media celebrities in order to market their products, there is currently very few studies examining how brands directly create Parasocial Relationships with their audiences in order to directly market to them.

This thesis has two research questions: How do the Psychosocial traits Empathy, Loneliness, Information Seeking, and Relationship Building affect Parasocial Relationships? How does Parasocial Relationships affect Brand Value? In order to better understand these research questions, nine hypotheses will be tested: Hypothesis 1: There is a positive relationship between Information Seeking and Parasocial Relationships. Hypothesis 2: There is a positive relationship between Relationship Building and Parasocial Relationships. Hypothesis 3: There is a positive relationship between Low Social Self-Esteem, and Parasocial Relationships. Hypothesis 4: There is a positive relationship between relationship Empathy and Parasocial Relationships. Hypothesis 5 There is a positive relationship between Loneliness and Parasocial Relationships. Hypothesis 6: There is a positive relationship between a brand’s Equity Value and Parasocial Relationships. Hypothesis 7: There is a positive relationship between a brand’s Brand Equity and Parasocial Relationships. Hypothesis 8: There is a positive relationship between a

user's Intent to Purchase and Parasocial Relationships. Hypothesis 9: There is a positive relationship between a brand's Relationship Equity and Parasocial Relationships.

Chapter 2 will examine the current literature surrounding the aforementioned Psychosocial variables, Parasocial Relationships, and the aforementioned Brand Value variables. Chapter 3 will outline the methodology that this study uses in order to examine the relationship between Parasocial Relationships, Brand Value, and Psychosocial traits. Chapter 4 will examine the results of the survey and the results of the analyses run on the data. Chapter 5 will explain the findings of the study and discuss the practical implications of these results. Chapter 6 will conclude the thesis by summarizing the findings of the study, describe the limitations of the study, and propose future research directions.

CHAPTER 2. LITERATURE REVIEW

Baumeister and Leary (1995) found that people have a ready, innate desire to form social attachments even in adverse conditions. They found that people who “have anything in common, who share common (even unpleasant) experiences, or who simply are exposed to each other frequently” tend to form attachments. If this desire is not met, there can be both psychological and physical health problems. Therefore, humans aim to maintain attachments that they form, even if there is “no material or pragmatic reason to maintain the bond and even if maintaining it would be difficult”. As technology and social media has evolved over the years, the ability to form attachments and connections with others has also evolved. Celebrities, personalities, and influencers alike accumulate followings that span across multiple platforms, sometimes reaching the millions. Being able to build and maintain relationships is one of the main purposes of Social Networking Sites (SNS) (Han, Min, & Lee, 2015). However, companies have been known to fall short of building relationships on SNS. In a 2016 study by Han, Min, and Lee, the researchers aimed to see how corporate SNS accounts were able to effectively engage with SNS users with a focus on social presence. Their results showed that on Twitter, a very popular SNS, companies were able to build good relationships with users. One major finding was that self-disclosing content created social presence, which meant that content with a personal or emotional context made the SNS communication more effective. Another major finding was that in order to build relationships, corporate SNS should opt to make engaging connections rather than simple links. Finally, they found that establishing trust for the brand while also providing useful information on a corporate SNS account was important to Relationship Building between brands and consumers. This study shows not only that brands have the capability to form relationships with

their consumers on SNS platforms, but that by doing so they can prove to be powerful marketing tools.

At a certain point, there may be too many SNS users that try to interact and engage with a brand for the brand to realistically maintain every relationship. However, if corporate SNS accounts are successful in building deeper relationships then something known as a Parasocial Relationship may form. These unilateral relationships are formed when an observer feels a closeness similar to that of a friendship or romantic partner, but the “performer” (celebrity, personality, or influencer) is unaware of the observer (Dibble, Hartmann, & Rosaen, 2016). The closeness that observers feel creates a dedicated attachment to the performer, and thus a type of loyalty. In 2017, Escalas and Bettman examined how consumers would use celebrity endorsements as a way to appropriate brand symbolism. They focused on the need to belong (NTB) as motivation to form Parasocial Relationships. Through their study, they found that consumers are motivated by their Parasocial Relationships with celebrities to utilize brands that those celebrities were associated with. It was also found that consumers who had a greater need for attachment or connection or “affiliation” would be more likely to form a Parasocial Relationship with a celebrity. Interestingly, it was also found that consumers who had lower NTB were more discriminating when it came to pairing brands with celebrity endorsements and would also not be as likely to form a Parasocial Relationship with that celebrity.

Over the past several decades, Parasocial Relationships have been observed across multiple forms of media. For example, Parasocial Relationships have been commonly observed between celebrities and their fans, but it can also be observed between radio personalities and their listeners (Rubin & Step, 2000). The absence of a face or body does not alter the ability to form a parasocial connection. In order to understand how to form a Parasocial Relationship, we

need to first look at some important facets of a Parasocial Relationship: Proximity, Similarity, and Attraction. If these three components are observed in a unilateral relationship, then the potential for a Parasocial Relationship increases. In this literature review, I will be examining how Parasocial Relationships have been previously studied and their relationship to the uses and gratification variables Information Seeking, and Relationship Building, the psycho-social factors Low Social Self Esteem, Empathy, and Loneliness and the marketing factors that add to a brand's value: Brand Equity, Equity Value, Relationship Equity, and Intent to Purchase.

Parasocial Relationships

Parasocial Relationships are formed for multiple reasons. One of these reasons is that it can mimic a real relationship. One of the effects of having a Parasocial Relationship is that it can create a counter-balancing effect from a rejection of a real-life relationship. Derrick, Gabriel, and Hugenberg (2007) found that thinking about a favorite show or character negated the negative mood and esteem effects of social rejection. They also found that Parasocial Relationships were able to reduce cognitive impairments such as analytical tasks due to a relationship-related rejection (Knowles, 2007), as well as the tendency to inflate in-group meaningfulness, importance, and cohesion (Knowles & Gardner, 2007). Another effect is that people tended to respond to Parasocial Relationships the same way they responded to real relationships. For example, Knowles and Gardner (2007) found that those with strong Parasocial Relationship attachments to fictional characters demonstrated facilitation effects on easy tasks and decreased performance on difficult tasks, which is similar to habits seen in real, bilateral relationships. Therefore, the psychology behind Parasocial Relationships has a similar impact of that of a real and meaningful relationship.

According to Rubin and Step (2000), Parasocial Relationships are a media-enabled connection between users and a media celebrity. The nature of this relationship is that it is unilateral, as the user feels an intimate connection to the celebrity while the celebrity is unaware of the individual user's existence. These relationships have been found to be "affect-laden" pseudo-friendships (Giles, 2002), where users perceive their favorite media celebrities as friends or colleagues. Earlier studies have been able to examine this phenomenon with viewers and celebrities on the radio, television, or movies. However, with the popularization of social networking sites (SNS) and social media (SM), an emerging trend of studying Parasocial Relationships in these contexts. One unique aspect of SNS and SM is that there is the potential for bilateral Relationship Building due to its affordances. The ability to directly communicate or leave feedback for an online celebrity, where they can respond quickly, cannot overcome the unilateral nature of Parasocial Relationships (Lee and Watkins, 2016). The framework that Parasocial Relationships create is mediated by the ability to find celebrities who share common interests or share personal similarities, for example through the use of search engines on social media platforms.

In 2015, Xiang, Zheng, Lee, and Zhao examined the role of Parasocial Interactions on impulsive buying behavior on a social commerce platform (SCP). SCPs are described as online shopping services that allow consumers to not only purchase goods but also discover, share, recommend, and rate those goods. The study pairs Parasocial Interactions with impulse purchases based on the idea that relationships yield a perceived enjoyment, and Parasocial Relationships can parallel this same enjoyment. Media users who have high levels of Parasocial Relationships were found to be more emotionally invested and involved with the media they consume and feel that the experience is therefore more pleasurable and enjoyable. Prior research

has found that impulse buying is a result of two things: one, to experience the sudden and spontaneous urge to make instantaneous purchases and two, to act on these urges with little to no “deliberation or evaluation of consequences” (Beatty & Elizabeth Ferrel, 1998, p. 174).

Researchers theorized that the way that Parasocial Relationships could improve mood would make consumers more likely to make impulse purchases. The study found that those who formed Parasocial Relationships were associated with perceived enjoyment. Image-sharing SCPs had a higher likelihood of forming Parasocial Relationships. Therefore, Parasocial Relationships formed on image-sharing SCPs were found to affect the likelihood of making an impulsive purchase.

In the marketing context, Parasocial Relationships are “an illusionary experience, such that consumers interact with personas (i.e., mediated representations of presenters, celebrities, or characters) as if they are present and engaged in a reciprocal relationship” (Labrecque, 2014). A sellers’ persona, in marketing, is a semi-fictional representation of a brand’s ideal brand identity that appears as a person who consumers can interact with. An example of a seller’s persona would be Jerry V “For The People”, a local car salesman in Hawaii who is known for his multitude of radio advertisements. Marketers have been attempting to utilize Parasocial Relationships for decades. One of the most popular methods to do this is by using celebrity endorsement (Leuck, 2015). In the mid-2000s, there was a brand known as Proactiv that launched a television campaign that featured young pop sensation Justin Bieber. Bieber described how using Proactiv cured his acne in a matter of weeks, and before-and-after images were used to support his claims. This campaign is a strong example of how brands traditionally utilized Parasocial Relationships. Since many brands cannot create or form a strong enough persona—either due to their size (it is much harder for larger companies to create a strong

persona) or type of product or service—they enlist celebrities who have already amassed a following. Celebrities already have pre-existing Parasocial Relationships with their fans. When a celebrity endorses something, their fans, who perceive them as a friend, will feel more trust towards their endorsement. “If Justin Bieber says that it works, it must! He wouldn’t lie to me!” Proactiv launched multiple campaigns that were similar to this, using a wide range of celebrities to continuously endorse their line of skin care with huge success.

Brand Value—Relationship Equity, Brand Equity, Value Equity, Intent to Purchase

When looking at the value a brand has, it is important to consider multiple factors. For the purposes of this thesis, I included four marketing variables: Relationship Equity, Brand Equity, Value Equity, and Intent to Purchase. Oftentimes, these variables are looked at by researchers and brands alike in order to evaluate the effectiveness of their products, services, and marketing. Previous research has shown that all four of these variables have been related to Parasocial Relationships. Parasocial relationships have been found to be influential to a marketing campaign’s success (Labreque, 2014). Traditionally, marketers would utilize the power of Parasocial relationships by using celebrity endorsements (Yuan et al., 2016). In a recent study by Yuan, Moon, Kim, and Wang (2021), researchers wanted to examine how Parasocial relationships formed on fashion web—online fashion sites and SNS—would affect Value Equity, Brand Equity, and Relationship Equity. The study found that Parasocial relationships and customer equity (the culmination of Value Equity, Brand Equity, and Relationship Equity) were positively correlated. Value equity was found to have the strongest relationship, followed by Relationship Equity, and finally Brand Equity. However, all three were significantly related. This reinforced the previous research on how Parasocial relationships are essential to a brand’s value as determined by consumers. The study’s findings imply that brand value is created when

Parasocial Relationships are used as a medium. That is to say, instead of using Parasocial Relationships solely as a means of advertisement, it is best to utilize Parasocial Relationships as a partnership with the consumers. These relationships can be used as means to communicate information about the brand alongside as a promotion tool.

In a study by Yuan, Kim, and Kim (2016), the researchers investigated the relationship between Parasocial Relationships and consumer equity in a social media setting. They hypothesized that attitudes towards SNS and Parasocial Relationships will positively influence customer equity drivers—Brand Equity, Value Equity, and Relationship Equity. Brand equity is the customer's subjective appraisal of a brand, while Value Equity is a customer's objective assessment of the utility of a brand based on cost-benefit perceptions. Relationship equity is the customer's tendency to return to a brand, regardless of objective or subjective assessment. The researchers chose social media as their context because it facilitated strong Parasocial Relationships due to its bilateral nature. The study looked at 350 social media users from Hong Kong and Macau to take an online survey about LeBron James' brand. It was found that Parasocial Relationships positively affected attitude and customer equity drivers and confirmed that equity drivers would increase customer lifetime value. They also found that motivations to use SNS and source credibility were antecedents of Parasocial Relationships. In other words, consumers who use SNS to form or maintain relationships and a trusted brand would lead to a Parasocial Relationship. Therefore, consumers felt closer to brands that they had a Parasocial Relationship with. This study is important because it was the first published study to observe this relationship in the social media setting.

An important mark of success in a marketing campaign is the Intent to Purchase. What is the likelihood that a person will purchase a product or service from a brand? A higher likelihood

leads to more sales, thus accomplishing the brand's main goal. Social media has proven to be an effective marketing platform for many businesses, so much so that a new type of marketing known as social media marketing has developed over the recent years (Lee & Hong, 2016). This can come in many forms, such as paid advertisements (Beuckels, Cauberghe, & Hudders, 2017), creating profiles to represent a brand (Labrecque, 2014), and the use of personalities, celebrities, or influencers to promote brands (Lee & Watkins, 2016; Silvera & Austad, 2004). Djafarova and Rushworth (2016) looked at how celebrities on Instagram were able to influence the Purchase Intent and behavior of young women users. What the study found was that electronic Word of Mouth (eWOM), the ability to spread a statement about a product or service from a potential, current, or former customer via the Internet, was strongly linked to buying behavior based on trust. Instagram users would look to comments and reviews on Instagram in order to "reduce perceived risk when making a purchase". They would seek out the reviews of those that they felt a connection and sense of trust with, such as celebrities. The young women's trust in their idols' opinions and reviews gave them the confidence to make a purchasing decision, thus affecting their Intent to Purchase. A 2015 study by Leuck examined how Kim Kardashian, a famous celebrity, could influence her followers through what the author refers to as "Parasocial Interaction", which is defined similarly to Parasocial Relationships. The research found that by using Instagram, the celebrity was able to share her product endorsements with her followers, who would positively engage with her content (i.e., responses in the form of likes or comments). The more branded content, such as posts and stories, that Kardashian would produce, the higher the Purchase Intent would become among her followers. The researchers theorized that this was due to a concept known as "parasocial advertising", which promoted a lifestyle over a brand. Those who have formed a Parasocial Relationship with Kardashian would be more inclined to

romanticize her lifestyle, thus creating a perfect environment for embedded advertisements, such as product placement. “It no longer is important what the brand can do, but instead, how it can bring one closer to an admired lifestyle”.

Psychosocial Factors - Low Self-Esteem, Empathy, and Loneliness

Previous research has found that there are certain personality traits that make people more likely, or biased, to form Parasocial Relationships. Empathy, or the ability to understand another person’s emotions and resonate with their feelings, is a personality trait that has not been heavily studied with Parasocial Relationships. There have been some previous studies that found how higher levels of Empathy were associated with stronger parasocial attachments (Hartmann & Goldhoorn, 2011; Knowles, 2007). In a study conducted by Scherer, DiAx, Iannone, McCarty, Branch, and Kelly in 2022, researchers looked at the effect of Empathy on Parasocial Relationships. The study found that the higher the Empathy reported, the higher they self-identified as having a Parasocial Relationship. They examined four sub-components of Empathy: empathic concern, perspective-taking, fantasy, and personal distress. The study found all four of these sub-components to be positively and significantly correlated with the formation of Parasocial Relationships. The strongest predictors of self-identified Parasocial Relationships were personal distress and perspective-taking. This study shows that Empathy both acts a predictor for self-identifying Parasocial Relationships as well as the strength of those relationships.

In 2018, Hwang and Zhang conducted a study to look at Parasocial Relationships between digital celebrities and their followers on followers’ purchase, electronic word-of-mouth intentions, and persuasion knowledge. The study also looked at how Empathy and low self-esteem played a role in forming Parasocial Relationships. Word-of-Mouth (WOM), the negative

or positive statement made by potential, current, or former consumers, plays a vital role for potential consumers. Because it is user and consumer generated, it mitigates the asymmetry of information from traditional marketing and provides greater market transparency. The market transparency contributes to authenticity and trustworthiness, which will overall contribute to customer equity. Persuasion knowledge, or the consumer's knowledge and beliefs of various advertisement-related issues and how effective and appropriate they find these marketing techniques, is important to study because of how it mitigates persuasion effects. Marketing, at its core, is a form of persuasion. However, as regulations regarding SNS postings, sponsorships, and advertisements become stricter, more explicit information needs to be disclosed to the public. This has a negative effect on persuasion effects since consumers recognize the marketers' persuasion intentions and are less likely to purchase. The researchers sampled 389 Chinese SNS users who followed digital celebrities and administered an online survey. What they found was that Empathy and low self-esteem were positively influencing Parasocial Relationships. This supports the findings that users who are on SNS with motivations of creating or supplementing social relationships will form Parasocial Relationships. It could be that they do not have any strong pre-existing relationships or feel easily emotionally connected to others, and therefore are more ready to form a parasocial bond with a digital celebrity. They also found that Parasocial Relationships positively affected followers' purchase and eWOM intentions. Surprisingly, the researchers found that Parasocial Relationships acted as a mediator between followers' persuasion knowledge and their purchase and eWOM intentions. A term that the researchers use is "brand evangelism" which is when a person does not only support a brand, but actively and vocally supports the brand through purchasing, giving positive brand referrals, and disparaging others from competing brands. In other words, if a Parasocial Relationship exists, then the digital

celebrity has the potential to persuade their followers if they appear to be knowledgeable and reliable in the product they are endorsing.

Attachment theory and styles are attributed to how people form and maintain relationships. Developmental psychology can begin to see the differences between nature and nurture that will eventually lead a person to developing a certain type of attachment style. One of the psychological characteristics that is important to the formation of attachment is self-esteem. Low self-esteem is often related to insecure attachment styles (Collins & Read, 1990). Self-esteem is the overall evaluation of one's self-worth. Self-Esteem can affect many aspects of one's life from their behaviors, social expectations, and attitudes towards relationships and themselves (Leary, Tambor, Terdal, & Downs, 1995). In terms of Parasocial Relationships, self-esteem may play a role similar to that to face-to-face relationships. However, using media to form, maintain, and dissolve relationships is the type of controlled environment where those with low self-esteem would feel safest to satisfy their relationship needs. Derrick, Gabriel, and Tippin (2008) take a closer look at how Low Self-Esteem and Parasocial Relationships are connected. Their study looked at how Parasocial Relationships with celebrities reduced the self-discrepancies of low self-esteem participants. They found that those with low self-esteem found their favorite celebrities as someone they hoped to be; their ideal self. The more similarities they found between them and the celebrities, the more low self-esteem participants empathized and liked the celebrities. Their research implies that those with Low Self-Esteem have a need to belong that can be fulfilled with a parasocial or "fake" relationship. Therefore, low self-esteem was a good predictor of the presence of Parasocial Relationships.

Loneliness is a facet of personality that is described as an unpleasant psychological state that is often associated with isolation, dissatisfaction, self-enclosure, and non-sociability

(Forman & Sriram, 1991). Often this is linked to a deficiency in several things such as meaningful and intimate relationships or a sense of belonging (Dugan & Kivett, 1994). While this is a negative emotion, it has also been found to be a motivation for people to pursue an intimate, meaningful connection. Parasocial interactions can be used as a means to fulfill interpersonal needs that, when not met, lead to Loneliness. Wang, Fink, and Cai (2008) looked at how different types of Loneliness could be used to predict different uses of Parasocial Interactions. Their study found that young adults' chronic Loneliness was associated with both emotional Loneliness but also social Loneliness. Negative family experiences were found to devalue social relations, which in turn lead to social Loneliness. Family and social Loneliness were found to influence a person's development as well as developing chronic Loneliness. Romantic Loneliness was found to be significantly correlated with chronic Loneliness and suggests that the duration of Loneliness "may be the cause or effect of the inability to establish a satisfactory romantic relationship". This study focused on how television characters would be the ideal Parasocial Interaction to mediate Loneliness. However, in this age group of young adults (college students) there was no significant evidence that television characters were a substitute for friendly or romantic relationships. However, it is theorized that at the time of this study, college students would be less influenced by television shows and characters because of their focus on Internet-based communications. Computer-mediated communication has been found to be more satisfying than face-to-face communication when it comes to certain interpersonal needs (Walther & Tidwell, 1996).

A study by Lim and Kim (2011) looked at how Loneliness was related to Parasocial Interactions in older consumers who used TV Shopping networks. The study was based on previous research that found how consumers 60 years and older who used home shopping

networks were motivated by a combination of Parasocial Interactions and a perceived convenience. Their study found two important things: firstly, the lack of shopping mobility in older consumers explained their Loneliness that motivated them to use TV shopping, and secondly, Loneliness was significantly correlated to older consumers developing Parasocial Interactions with TV shopping hosts. There was a positive influence of Loneliness on Parasocial Interactions with TV hosts. A possible reason researchers posed for this is because of lower social contact, there was an increase in Loneliness. They then used mass media, such as TV shopping networks, in order to compensate for the isolation. Older consumers would then look towards TV hosts of shopping networks to form Parasocial Relationships with, feeling a sense of closeness to these recurring personalities. Overall, because Loneliness influences the older consumer's satisfaction with TV shopping, along with the perceived convenience of TV shopping, it is essential for shopping networks to understand how to strengthen their Parasocial Interactions with their older consumers in order to increase their sales.

In order to further understand the relationship between Psychosocial Factors, Parasocial Relationships, and Brand Value several hypotheses will be tested based on previous research.

How do the Psychosocial traits Empathy, Loneliness, Information Seeking, and Relationship Building affect Parasocial Relationships?

Hypothesis 1: There is a positive relationship between Information Seeking and Parasocial Relationships.

Hypothesis 2: There is a positive relationship between Relationship Building and Parasocial Relationships.

Hypothesis 3: There is a positive relationship between Low Social Self-Esteem, and Parasocial Relationships.

Hypothesis 4: There is a positive relationship between relationship Empathy and Parasocial Relationships.

Hypothesis 5 There is a positive relationship between Loneliness and Parasocial Relationships.

How do Parasocial Relationships affect Brand Value?

Hypothesis 6: There is a positive relationship between a brand's Equity Value and Parasocial Relationships.

Hypothesis 7: There is a positive relationship between a brand's Brand Equity and Parasocial Relationships.

Hypothesis 8: There is a positive relationship between a user's Intent to Purchase and Parasocial Relationships.

Hypothesis 9: There is a positive relationship between a brand's Relationship Equity and Parasocial Relationships.

CHAPTER 3. METHODS

Introduction

In order to understand how Parasocial Relationships formed on Instagram and their influence on Brand Equity, a survey methodology was used. A survey was sent out to Instagram users over the age of 18 who follow brands that they are interested in or customers of. This chapter further explains the participants and sampling, survey instrument, procedures, and data analysis.

Participants and Sampling

Participants were at least 18 years old and owned an Instagram account that follows one or more brands that they are currently or have previously been customers of. The sampled participants were between the ages of 18 and 55. These participants were sampled from the University of Hawaii at Manoa and University of Hawaii Maui College, Instagram users who follow several Hawaii-owned businesses, and people reached via electronic word of mouth. A majority of participants were undergraduate college students.

Variable Descriptions

Table 1 presents each variable used in this study, along with its definition and source.

Term	Definition	Literature
Parasocial Relationship	A psychological connection that users form unilaterally with media personalities/celebrities through virtual media.	(Rubin & Step, 2000)
Empathy	The ability to experience and understand the feelings of 3s. It consists of both emotional and cognitive components.	(Scherer, et. al., 2022)
Loneliness	The unpleasant experience that occurs when a person's network of social relations is deficient in some important way.	(Dugan & Kivett, 1994)
Social Self-Esteem	Self-esteem serves to both track the individual's relational value (i.e., value to 3 people) and motivates the person to enhance his or her relational value if it is perceived to be low.	(Valkenburg, Koutamanis, & Vossen, 2017)
Information Seeking	Quests to acquire information that satisfies curiosity, fulfills general interests, and explains current news and cultural events.	(Venezuela, Park, & Kee, 2009)
Relationship Building	Maintain satisfactory and durable relationships.	(Han, Min, & Lee, 2015)
Proximity	The degree of actual physical or conceptual closeness, plays a key role in identifying whether relationships are interpersonal or parasocial.	(Miller, 1978)
Similarity	The degree to which certain characteristics can be grouped together.	(Miller, 1978)
Attraction	Physical attractiveness, personality, and athletic ability are all components of overall celebrity attractiveness and important indicators of endorsement and advertising effectiveness.	(Chao, Wuhrer, & Werani, 2005)
Customer Equity Value	The total of the discounted lifetime values summed over all of the firm's current and potential customers.	(Yuan, Kim, & Kim, 2016)
Brand Equity	A customer's subjective appraisal of a brand choice. It is the value added to a product or service as a result of past investments in the marketing mix.	(Keller, 1993)
Relationship Equity	A customers' tendency to return to a brand irrespective of both objective and subjective brand assessments.	(Yuan, Kim, & Kim, 2016)
Purchase Intention	The likelihood a consumer will buy a product or service.	(Yuan, Kim, & Kim, 2016)

Table 1, Variables and definitions

Instrument

The survey was developed by combining and modifying two instruments from separate studies. The first study is by Hwang and Zhang (2018) who looked at the influence of Parasocial Relationships between digital celebrities and their followers on Purchase Intent and electronic word-of-mouth. Their measurement items looked at measuring Empathy (six items), Loneliness (three items), Low Social Self-Esteem (five items), Parasocial Relationships (six items), Value Equity (four items), Brand Equity (three items), Relationship Equity (five items) and Purchase Intent (four items). The second study by Yuan, Kim, and Kim (2016) looked at how Parasocial Relationships affected customer equity in a social media context. Their measurement items

looked at measuring Information Seeking (five items), Relationship Building (four items), Proximity (three items), Similarity (five items), and Attraction (seven items). Both studies used a five-point Likert scale to measure each item (1 = strongly disagree to 5 = strongly agree). The instrument is attached in Appendix A.

Pretest

In a pretest of the survey, two participants took 13 and 17 minutes respectively to complete the survey. There were no concerns about clarity of questions or scale. However, there was a concern by one of the participants about the length of the instrument. However, due to the number of variables that would be tested for, the survey could not be shortened. When the survey was distributed, there was very little drop out (n=2) despite the length of the survey.

Procedure

Due to the nature of digital marketing and social media, participants were recruited through several digital means. The first is through professors at the University of Hawaii at Manoa who will send emails to their students. These students were recruited across various majors. The second was through eblasts and social media posts through several local, Hawaii-owned businesses. The third was through word of mouth, both personally and through social media. Participants were solicited via email and social media posts and were provided a link to the survey. A consent form informed participants about the purpose of the research, the voluntary nature of the participation, and the anonymity of the responses. Those completing the consent form (Appendix B) were guided to the fifty-two-question online survey.

Data Analysis

To test the hypotheses, Pearson's correlation tests were conducted between different variables to identify relationships: hypothesis 1 (Information Seeking, Parasocial

Relationships); hypothesis 2 (Relationship Building, Parasocial Relationships); hypothesis 3 (Low Social Self-Esteem, Parasocial Relationships); hypothesis 4 (Empathy, Parasocial Relationships); hypothesis 5 (Loneliness, Parasocial Relationships); hypothesis 6 (Equity Value, Parasocial Relationships); hypothesis 7 (Brand Equity, Parasocial Relationships); hypothesis 8 (Intent to Purchase, Parasocial Relationships); hypothesis 9 (Relationship Equity, Parasocial Relationships).

CHAPTER 4. RESULTS

Data Cleaning

The survey had a total of 75 responses but due to incompleteness, only 47 valid respondents aged 18 years or above who own personal Instagram accounts that follow at least one business account that they had, have, or intend to purchase from were usable. Of the participants, 33 were female and 12 were males, with the remaining 2 identified as “other”. For race, there were 27 Asian American or Pacific Islander, 18 White, and 2 Non-Hispanic “Other”. One of the “Other” respondents identified as “British” and the second respondent identified as “Native Hawaiian”. Details of the participants can be found in Table 2.

Table 2
Descriptive Statistics for Instagram Users (N=47)

Variable	Frequency	Percent
Demographics		
<i>Gender</i>		
Female	33	70.2
Male	12	25.5
Other	2	4.3
<i>Race</i>		
Asian American or Pacific Islander	27	57.4
White	18	38.3
Other (Non-Hispanic)	2	4.3

Cronbach’s Alpha

As a first step, a factor analysis was performed to determine the internal reliability of various scale items. For each variable, Cronbach's alpha was calculated. The Cronbach’s alpha allows for a measure of internal consistency, thus showing how accurate each set of survey instruments were for measuring their respective variables. If a Cronbach’s alpha is found to be at least 0.6, then it is determined to be reliable. The mean and standard deviation were also calculated for each variable as well as each question. Each variable provided a strong Cronbach’s

alpha between 0.929 and 0.673, thus showing that the instruments that were chosen to include in the study are reliable. The details of the summary of statistics can be found in Table 3, 4, and 5.

Table 3

Summary Statistics for Psychosocial Factors (N=47)

Variables	Mean	SD
Empathy (Cronbach's alpha = 0.733)	3.26	0.819
I can often understand how my favorite business owner or social media liaison is feeling even before he/she submits content on Instagram.	3.34	1.24
I can tell when my favorite business owner or social media liaison acts happy when he/she actually is not.	3.21	1.21
I can tell easily how my favorite business owner or social media liaison is feeling.	3.13	1.24
When my favorite business owner or social media liaison is scared, I feel afraid.	3.57	1.23
When my favorite business owner or social media liaison is sad, I become sad too.	3.02	1.33
When my favorite business owner or social media liaison is angry, I feel angry too.	3.26	1.26
Loneliness (Cronbach's alpha = 0.824)	3.45	1.18
In general, I feel like I lack companionship.	3.65	1.39
In general, I feel like I am often left out of social situations.	3.24	1.32
In general, I feel isolated from others.	3.46	1.43
Low Social Self-Esteem (Cronbach's alpha = 0.843)	2.58	1.04
I am worried about whether I am regarded as a success or a failure.	2.39	1.32
I feel displeased with myself.	2.87	1.34
I am worried about what other people think of me.	2.43	1.33
I feel inferior to others at this moment.	3.07	1.47
I feel concerned about the impression I am making.	2.15	1.15
Information Seeking (Cronbach's alpha = 0.748)	2.30	0.742
I use Instagram to learn what is going on in society.	2.63	1.289
I use Instagram to get useful information about products or services.	2.15	1.010
I use Instagram to learn about things related to my interests.	1.63	0.771
I use Instagram to understand current trends.	2.26	0.905
I use Instagram to understand new subjects.	2.83	1.198
Relationship Building (Cronbach's alpha = 0.792)	2.19	0.870
I use Instagram to communicate with others.	1.80	0.885
I use Instagram to get along with people who have the same lifestyle.	2.39	1.043
I use Instagram to have close relationships with friends.	2.28	1.223
I use Instagram to get in touch with friends I haven't contacted for a while.	2.28	1.241

Note: Scale ranges from 1 = Strongly Disagree to 5 = Strongly Agree.

Table 4*Summary Statistics for Parasocial Relationships (N=47)*

Variables	Mean	SD
Proximity (Cronbach's alpha = 0.858)	1.97	0.695
The brand's Instagram content (posts, stories, comments) personalizes the product information.	3.78	0.96
The brand's Instagram content (posts, stories, comments) communicates product information well.	3.80	0.90
The brand's Instagram content (posts, stories, comments) makes people feel more closely related to the product information.		
Similarity (Cronbach's alpha = 0.861)	2.04	0.773
The brand's Instagram content (posts, stories, comments) gives product information that suits my personal style.	2.13	0.968
The brand's Instagram content (posts, stories, comments) provides product information that is reflected in my purchase decisions.	2.18	1.051
The brand's Instagram content (posts, stories, comments) provides product information that interests me.	1.96	0.928
The brand's Instagram content (posts, stories, comments) provides product styles that match my hobbies.	2.00	0.953
Using Instagram content (posts, stories, comments) is a good way to disseminate product information.	1.93	0.915
Attraction (Cronbach's alpha = 0.811)	2.24	0.588
The Instagram content (posts, stories, comments) can supply new information effectively.	1.86	0.795
I can get more messages from the Instagram content.	2.70	0.765
I can get more information about new product features through the Instagram advertising spokesperson.	2.43	0.900
The Instagram content (posts, stories, comments) makes me more satisfied with the product information.	2.16	0.776
The Instagram content (posts, stories, comments) makes me more satisfied with the product service.	2.43	1.021
The Instagram content (posts, stories, comments) helps me form a more positive attitude toward this brand as compared with advertising by other media.	2.14	0.930
I like to purchase this brand when I buy a product.	1.93	0.789
Parasocial Relationship (Cronbach's alpha = 0.762)	2.63	0.807
I feel close enough to use my favorite business owner or social media liaison's Instagram.	2.93	1.369
I feel comfortable about my favorite business owner or social media liaison's message on his/her Instagram.	2.90	1.376
I can rely on information I get from my favorite business owner or social media liaison.	1.74	0.767
I feel fascinated with my favorite business owner or social media liaison's Instagram.	2.81	1.348
In the past, I pitied my favorite business owner or social media liaison when he/she made a mistake on his/her Instagram.	3.29	1.235
I think that my favorite business owner or social media liaison's Instagram is helpful for my interests (in fashion and others).	2.14	0.926

Note: Scale ranges from 1 = Strongly Disagree to 5 = Strongly Agree.

Table 5*Summary Statistics for Brand Value (N=47)*

Variables	Mean	SD
Equity Value (Cronbach's alpha = 0.673)	1.89	0.544
This brand is priced appropriately according to its quality.	1.76	0.692
This brand is excellently designed.	2.21	0.842
The price is competitive to other brands.	1.95	0.764
This brand is easy to purchase.	1.64	0.759
Brand Equity (Cronbach's alpha = 0.929)	1.48	0.617
This brand is attractive.	1.45	0.670
This brand is favorable.	1.50	0.672
This brand is well-crafted.	1.48	0.634
Relationship Equity (Cronbach's alpha = 0.760)	2.08	0.615
This brand will provide what I want.	1.76	0.799
I feel intimately connected with this brand.	2.78	1.129
I know this brand well.	1.98	0.935
This brand matches my image.	1.98	0.651
This brand matches my style	1.90	0.700
Purchase Intent (Cronbach's alpha = 0.880)	2.13	0.859
I will buy the product that my favorite business makes content of through Instagram.	2.34	1.132
I have the intention to buy the product that my favorite business makes through Instagram.	2.15	0.963
I am interested in buying the product that my favorite business makes through Instagram.	1.93	0.877
It is likely that I will buy products that my favorite business makes content of on Instagram in the future.	2.10	1.020

Note: Scale ranges from 1 = Strongly Disagree to 5 = Strongly Agree.

Pearson's Correlation Analysis

In order to test the relationships and strength of the variables against each other, a Pearson's correlation analysis was run to test each hypothesis.

Hypothesis 1 proposed a positive relationship between Information Seeking and Parasocial Relationships. For Hypothesis 1, those with higher Information Seeking formed stronger Parasocial Relationships ($r=0.365$, $p<.001$).

Hypothesis 2 proposed a positive relationship between Relationship Building and Parasocial Relationships. Hypothesis 3 proposed a positive relationship between Low Social Self-Esteem, and Parasocial Relationships. Hypothesis 4 proposed a positive relationship

between relationship Empathy and Parasocial Relationships. Hypothesis 5 proposed a positive relationship between Loneliness and Parasocial Relationships. Hypothesis 6 proposed a positive relationship between a brand's Equity Value and Parasocial Relationships. Hypothesis 7 proposed a positive relationship between a brand's Brand Equity and Parasocial Relationships. Hypothesis 8 proposed a positive relationship between a user's Intent to Purchase and Parasocial Relationships. Hypothesis 9 proposed a positive relationship between a brand's Relationship Equity and Parasocial Relationships. One-tailed correlation analyses were applied to test Hypothesis 1 to Hypothesis 9 where age, gender, and race were controlled. Tables 4, 5, and 6 present the results of the correlation analyses.

Except for Hypotheses 3 and 5, all hypotheses were supported. For Hypothesis 1, those with higher Information Seeking formed stronger Parasocial Relationships ($r(42)=0.365$, $p<.001$). For Hypothesis 2, those with higher Relationship Building formed stronger Parasocial Relationships ($r(42)=0.288$, $p<.05$). For Hypothesis 4, those with higher Empathy formed stronger Parasocial Relationships ($r(42)=0.490$, $p<.001$). For Hypothesis 6, brands with higher Equity Value formed stronger Parasocial Relationships ($r(42)=0.450$, $p<.01$). For Hypothesis 7, brands with higher Brand Equity formed stronger Parasocial Relationships ($r(42)=0.426$, $p<.01$). For Hypothesis 8, those with higher Intent to Purchase formed stronger Parasocial Relationships ($r(42)=0.375$, $p<.01$). For Hypothesis 9, brands with higher Relationship Equity formed stronger Parasocial Relationships ($r(42)=0.620$, $p<.001$).

Table 6 shows the relationship of the Uses and Gratification, Psychosocial Factors, and Parasocial Relationships. The table highlights five significant relationships. There is a strong correlation between Empathy and Parasocial Relationship with a correlation of $r(42)=0.490$, $p<.001$. There was a moderate correlation between Information Seeking and Parasocial

Relationship with a correlation of $r(42)=0.356$, $p < .01$. There was a moderate correlation between Information Seeking and Attraction with a correlation of $r(42)=0.442$, $p < .01$. There was a small correlation between Information Seeking and Proximity with a correlation of $r(42)=0.247$, $p < .05$. There was a small correlation between Relationship Building and Parasocial Relationship with a correlation of $r(42)=0.288$, $p < .05$.

Table 7 shows the relationship between Uses and Gratification, Psychosocial Factors, and Brand Value. There was only a small correlation between Empathy and Relationship Equity with a correlation of $r(42)=0.354$, $p < .05$.

Table 8 shows the relationship between Parasocial Relationships and Brand Value. Every relationship except one was found to be significant. There is a strong correlation between Similarity and Relationship Equity with a correlation of $r(42)=0.479$, $p < .001$. There is a strong correlation between Parasocial Relationship and Relationship Equity with a correlation of $r(42)=0.620$, $p < .001$. There is a moderate correlation between Proximity and Equity Value with a correlation of $r(42)=0.459$, $p < .01$. There is a moderate correlation between Proximity and Brand Value with a correlation of $r(42)=0.380$, $p < .01$. There is a moderate correlation between Similarity and Equity Value with a correlation of $r(42)=0.422$, $p < .01$. There is a moderate correlation between Similarity and Brand Equity with a correlation of $r(42)=0.418$, $p < .01$. There is a moderate correlation between Similarity and Purchase Intent with a correlation of $r(42)=0.438$, $p < .01$. There is a moderate correlation between Attraction and Brand Equity with a correlation of $r(42)=0.361$, $p < .01$. There is a moderate correlation between Parasocial Relationship and Equity Value with a correlation of $r(42)=0.450$, $p < .01$. There is a moderate correlation between Parasocial Relationship and Brand Equity with a correlation of $r(42)=0.426$, $p < .01$. There is a moderate correlation between Parasocial Relationship and Purchase Intent with

a correlation of $r(42)=0.375$, $p < .01$. There is a small correlation between Proximity and Relationship Equity with a correlation of $r(42)=0.307$, $p < .05$. There is a small correlation between Attraction and Equity Value with a correlation of $r(42)=0.383$, $p < .05$. There is a small correlation between Attraction and Relationship Equity with a correlation of $r(42)=0.332$, $p < .05$. There is a small correlation between Attraction and Purchase Intent with a correlation of $r(42)=0.293$, $p < .05$.

Because the number of responses was not sufficient to run a multiple linear regression for the number of variables used in the study.

Table 6
Correlations between Uses and Gratification and Psychosocial Factors, and Parasocial Relationships (N=47)

Variables	Proximity	Similarity	Attraction	Parasocial Relationship
Empathy	0.102	0.030	0.230	0.490***
Loneliness	-0.401	-0.285	-0.093	-0.155
Low Social Self-Esteem	-0.128	-0.064	-0.023	-0.095
Information Seeking	0.247*	0.200	0.442**	0.365**
Relationship Building	0.015	0.038	0.175	0.288*

Note: Correlation values represent Pearson correlations.

* $p < .05$, ** $p < .01$, *** $p < .001$, one-tailed test

Table 7*Correlations between Uses and Gratification and Psychosocial Factors, and Brand Value (N=47)*

Variables	Equity Value	Brand Equity	Relationship Equity	Purchase Intent
Empathy	0.235	0.186	0.354*	-0.081
Loneliness	-0.384	-0.393	-0.504	0.017
Low Social Self-Esteem	0.012	-0.129	-0.159	0.188
Information Seeking	0.077	0.174	-0.037	0.043
Relationship Building	0.068	0.208	0.143	0.042

Note: Correlation values represent Pearson correlations.

* p<.05, ** p<.01, *** p< .001, one-tailed test

Table 8*Correlations between Parasocial Relationships and Brand Value (N=47)*

Variables	Equity Value	Brand Equity	Relationship Equity	Purchase Intent
Proximity	0.459**	0.380**	0.307*	0.152
Similarity	0.422**	0.418**	0.479***	0.438**
Attraction	0.383*	0.361**	0.332*	0.293*
Parasocial Relationship	0.450**	0.426**	0.620***	0.375**

Note: Correlation values represent Pearson correlations.

* p<.05, ** p<.01, *** p< .001, one-tailed test

CHAPTER 5. DISCUSSION

In order to observe the relationships between all variables, a Pearson's correlation analysis was run. In Tables 6, 7, and 8, it is seen that all hypotheses were supported except for H3 and H5.

The results of this study shows that Empathy is a strong predictor of a Parasocial Relationship, which is in line with previous findings (Hartmann & Goldhoorn, 2011; Knowles, 2007; Scherer et al, 2022). This could be due to the fact that Parasocial Relationships are formed when a person feels a unidirectional personal closeness with an unaware person. This closeness is similar to what people feel in friendships and romantic relationships; a strong set of emotions that includes Empathy. If a user sees a brand and feels connected to the brand, they will feel empathetic to their struggles and emotions. Information Seeking and Relationship building were also found to be significantly correlated to Parasocial Relationship. This could be due to similar reasons as Empathy, where the unidirectional closeness can be strengthened with Information Seeking (wanting to learn more about an unaware person in order to feel closer to them) and Relationship Building (trying to maintain and strengthen a relationship with someone). Users will want to engage more with their brand in order to learn more about them, wanting to know more beyond just their products they will seek out information about behind the scenes, development, and even personal details. In order to try to maintain their closeness, users may also interact with posts and stories in order to be recognized or acknowledged by brands and to keep up their news and knowledge of brands. The significant relationship between Information Seeking and Proximity could be explained similar to Attraction. Since Proximity is a facet of Parasocial Relationships, it makes sense that those who wish to feel conceptually closer to their brands would want to learn more about them.

The correlation between Empathy and Relationship Equity could be explained by the fact that Relationship Equity is the tendency for a customer to return to a brand regardless of objective or subjective assessments of the brand. Empathy, as explained earlier, is a component of relationships. Therefore, an increase in Empathy would strengthen the relationship, thus increasing Relationship Equity.

There were many significant correlations between the variables in Table 8, thus showing that Parasocial Relationship and Brand Value have a strong relationship. This was expected as it was heavily supported in previous literature (Labreque, 2014; Yuan et al., 2016; Yuan et al., 2021; Djafarova & Rushworth, 2016; Leuck, 2015). Equity Value, Brand Equity, and Relationship Equity had a significant relationship with all Parasocial Relationship variables. This could imply several things. First and foremost, it implies that Parasocial Relationships are critical to building Brand Value. After a certain amount of growth, it becomes impossible to form or maintain personal relationships with every customer and consumer therefore Parasocial Relationships are more likely to form, especially between returning and regular customers and the brand. With higher Proximity, Similarity, Attraction, and Parasocial Relationship scores, there is a stronger unidirectional relationship between consumer and brand, which in turn will increase their likelihood of how often they purchase, how much they purchase, and how likely they are to continue purchasing in the future. Second, this implies that if brands were to put more resources into social media platforms with more bilateral communication, such as Instagram, TikTok, and Twitter, there is potential for Brand Value growth. Part of the success of social media is that it allows for Parasocial Relationships to strengthen and maintain over time. If brands continue to put resources into their social media in order to make themselves more humanized and relatable, their Brand Value will increase and thus create more opportunities to

create long term customers. Purchase Intent was significantly correlated with Similarity, Attraction, and Parasocial Relationship. This implies that those who can relate to, find Attraction in, and feel a closeness to brands will be more likely to purchase from them.

Hypotheses 3 and 5 were not supported which contradicts the existing literature. Hypothesis 3 predicted that there would be a positive relationship between Low Social Self-Esteem and Parasocial Relationships, which would have been in line with previous research (Derrick, Gabriel, & Tippin, 2008), but was not supported in the current study. Hypothesis 5 predicted that there would be a positive relationship between Loneliness and Parasocial Relationships, which was found to be true in both young adults (Wang, Fink, & Cai, 2008) and older adults (Lim & Kim, 2011). However, this study, which had a primarily younger sample, did not find there to be a significant positive relationship between Loneliness and Parasocial Relationships.

While previous studies have found there to be a positive correlation between Loneliness and Parasocial Relationships, there is a question of whether or not brands are responsible or even fully capable of fulfilling this need of belonging. Traditional Parasocial Relationships would be able to address these needs as the audience members would feel as though they are making a genuine, fulfilling connection with a celebrity or influencer (Wang, Fink, & Cai, 2008). However, a brand may not be able to fulfill this role as their primary goal is to connect with their audience in order to market their product or service. Even with a social media liaison, there is a lack of personal intimacy that can be shared through posts and stories. The liaison represents the brand and therefore may not be able to strongly express their values or opinions. This would lead to a weaker or lack of social fulfillment and may not affect an audience's Loneliness.

Implications for Practice

The study has shown that there are many significant correlations between Parasocial Relationships, Brand Value, and Psychosocial variables. It is important to look at the practical implications for these finds as companies and brands will be able to utilize this information to better develop their marketing strategies and ultimately increase their overall Brand Value.

According to Table 8, nearly all aspects of Parasocial Relationships and Brand Value are significantly and strongly correlated. This means that if a strong Parasocial Relationship is formed with a consumer, then Brand Value will increase, in some cases significantly. Brands on Instagram should then be putting more resources into their content creation on the platform. Content refers to all forms of information that can be publicly shared, which includes but is not limited to posts, stories, and comments. The content should be geared towards increasing the brand's Proximity, Similarity, and Attraction in order to strengthen the overall Parasocial Relationships that they form.

In order to increase Proximity, brands should look to relate their content to their target audience. If the content feels easily consumable and relatable, then their audience will be more likely to feel a sense of closeness. For example, a brand that sells locally produced baby clothing wants to increase their Proximity in order to improve their Parasocial Relationships. One way to do this is to create targeted ads on Instagram which can be localized to specific areas. If they are looking to sell across Oahu, they would pick several distinct districts on the island and create personalized ads for each district. For example, if they created an ad for Hawaii Kai, they could showcase a print or design that has a landmark from the area, such as Koko Head. However, an ad that they target to Pearl City would have a design that incorporates Pearl Harbor. This way,

their target audience feels that they are slightly closer to the product than others that are not from their area.

To increase Similarity, brands need to produce content that can resonate with their target audience. This can be done by creating content that fits into a consumer's personal style or purchasing decisions or that aligns with their hobbies. For example, a brand that sells exotic and limited quantity coffee has a target audience that consists of young to middle aged adults who enjoy a slightly more extravagant lifestyle. A way that this brand could increase their Similarity would be to repost stories of their customers consuming their coffee in an aesthetically pleasing and upscale setting, in order to communicate to their audience that their coffee is best enjoyed in similar settings. This would attract potential customers that value the same things as the coffee brand and increase their audiences' Similarity which in turn would add to their Parasocial Relationship experience.

Finally, to increase Attraction, brands will need to look to produce content that is aesthetically appealing. This will look different for each brand as their images and target audiences will differ, however with proper market research these brands can understand how to better improve on their image. The purpose of improving the aesthetic of the content is that it will give consumers a more positive attitude towards the product while also getting information about it. For example, a brand sells luxury bandanas for dogs. In order to stand out from the competition, they not only create elegant looking bandanas but they also hire elegant breeds to model their products. Instead of using a short-haired breed, they use more long-haired dogs to capture the elegant tone that their brand is going for. They also choose to pose the dogs in luxurious settings such as mansions and exotic destinations. These choices will improve the Attractiveness of the brand and increase the strength of the Parasocial Relationship. With all of

these adjustments made, Parasocial Relationships should strengthen and thus increase the Brand Value with it.

CHAPTER 6. CONCLUSION

Parasocial Relationships are as abundant as they are useful as a marketing tool, which is to say that they are very common as well as a very powerful tool for brands to use. By focusing on Instagram as a social media platform that holds both consumers and brands, we could see that there were multiple significant relationships between Parasocial Relationships and Brand Value. Brands are unconventional entities to form a personal connection with, however this study shows that not only is it possible to form these unilateral relationships with brands on Instagram, but they can be utilized for marketing purposes.

Over the course of this thesis, there were multiple significant correlations found between uses and gratification traits, psychosocial traits, Parasocial Relationships, and brand value. Parasocial Relationships were found to be significantly correlated with Empathy, Relationship Building, and Information Seeking. Parasocial relationships were also found to be significantly correlated with Equity Value, Brand Equity, Relationship Equity, and Purchase Intent. Through the survey distributed for the study, it was found that Instagram users were found to have Parasocial Relationships with brands that they followed on Instagram. There were multiple factors that were found to contribute to the formation of Parasocial Relationships: Empathy, Relationship Building, and Information Seeking. The Parasocial Relationships then contributed to the overall brand value which includes Equity Value, Brand Equity, Relationship Equity, and Purchase Intent.

The study had several limitations. The first limitation is that there was a low response rate. With only 42 usable responses, there was only enough data to run a Pearson correlation. In the future, with a larger sample size, it would be beneficial to run other analyses such as linear regression models. This would allow for a more comprehensive view of the relationship between

Instagram users and their Parasocial Relationships with the brands they follow, as well as the contribution those relationships make towards brand value. Another limitation was that there was a narrow demographic scope for the study. A majority of the sample was taken from undergraduate students at the University of Hawaii at Manoa and Maui, therefore the demographics reflected the student body. In the future, a wider ethnic scope as well as age and gender would benefit the research as it would give a more comprehensive view of how these demographics affect the formation of Parasocial Relationships on Instagram.

While this study has aided in contributing to the current research regarding Parasocial Relationships and Brand Value, there is much room for future research. First, a majority of the sample from this survey was drawn from undergraduate students. In a future study, it would be ideal to broaden the population so that there can be a more comprehensive look at Parasocial Relationship formation and Brand Value. For example, research by Lim and Kim (2011) saw that older consumers were more likely to form parasocial relationships with TV home shopping channel hosts than younger consumers. It would be beneficial to expand the age range of the popular to include older social media users to see if the study would yield similar results. It may also be interesting to include socio-economic status as a sample variable. Second, exploring the Parasocial Relationships and Interactions on different social media platforms. A 2015 study by Xiang, Zheng, Lee, and Zhao differentiated social commerce platforms (SCP) by the way that they shared information. Instagram would be considered an image-sharing SCP, which researchers found to have a higher likelihood of forming a Parasocial Relationship. Future research would benefit from exploring other social media platforms such as Facebook, TikTok, or WhatsApp.

APPENDIX A: ONLINE SURVEY

1. I can often understand how my favorite business owner or social media liaison is feeling even before he/she submits content on Instagram.
2. I can tell when my favorite business owner or social media liaison acts happy when he/she actually is not
3. I can tell easily how my favorite business owner or social media liaison celebrity is feeling.
4. When my favorite business owner or social media liaison is scared, I feel afraid.
5. When my favorite business owner or social media liaison is sad, I become sad too.
6. When my favorite business owner or social media liaison is angry, I feel angry too.
7. In general, I feel like I lack companionship.
8. In general, I feel like I am often left out of social situations.
9. In general, I feel isolated from 3s.
10. I am worried about whether I am regarded as a success or a failure.
11. I feel displeased with myself.
12. I am worried about what 3 people think of me.
13. I feel inferior to 3s at this moment.
14. I feel concerned about the impression I am making.
15. I use Instagram to learn what is going on in society.
16. I use Instagram to get useful information about products or services.
17. I use Instagram to learn about things related to my interests.
18. I use Instagram to understand current trends.

19. I use Instagram to understand new subjects.
20. I use Instagram to communicate with 3s.
21. I use Instagram to get along with people who have the same lifestyle.
22. I use Instagram to have close relationships with friends.
23. I use Instagram to get in touch with friends I haven't contacted for a while.
24. The brand's Instagram content (posts, stories, comments) personalizes the product information.
25. The brand's Instagram content (posts, stories, comments) communicates product information well.
26. The brand's Instagram content (posts, stories, comments) makes people feel more closely related to the product information.
27. The brand's Instagram content (posts, stories, comments) gives product information that suits my personal style.
28. The brand's Instagram content (posts, stories, comments) provides product information that is reflected in my purchase decisions.
29. The brand's Instagram content (posts, stories, comments) provides product information that interests me.
30. The brand's Instagram content (posts, stories, comments) provides product styles that match my hobbies.
31. Using the Instagram content (posts, stories, comments) is a good way to disseminate product information.
32. The Instagram content (posts, stories, comments) can supply new information effectively.

33. I can get more messages from the Instagram content.
34. I can get more information about new product features through the Instagram advertising spokesperson.
35. The Instagram content (posts, stories, comments) makes me more satisfied with the product information.
36. The Instagram content (posts, stories, comments) makes me more satisfied with the product service.
37. The Instagram content (posts, stories, comments) helps me form a more positive attitude toward this brand.
38. I like to purchase this brand when I buy a product.
39. I feel close enough to use my favorite business owner or social media liaison's Instagram.
40. I feel comfortable about my favorite business owner or social media liaison's message on his/her Instagram.
41. I can rely on information I get from my favorite business owner or social media liaison.
42. I feel fascinated with my favorite business owner or social media liaison's Instagram.
43. In the past, I pitied my favorite business owner or social media liaison when he/she made a mistake on his/her Instagram.
44. I think that my favorite business owner or social media liaison's Instagram is helpful for my interests (in fashion and 3s).
45. This brand is priced appropriately according to its quality
46. This brand is excellently designed.
47. The price is competitive to 3 brands.

48. This brand is easy to purchase.
49. This brand is attractive.
50. This brand is favorable.
51. This brand is well-crafted.
52. This brand will provide what I want.
53. I feel intimately connected with this brand.
54. I know this brand well.
55. This brand matches my image.
56. This brand matches my style
57. I will buy the product that my favorite business sent through Instagram.
58. I have the intention to buy the product that my favorite business sent through Instagram.
59. I am interested in buying the product that my favorite business sent through Instagram.
60. It is likely that I will buy products that my favorite business sends through Instagram in the future.

APPENDIX B: CONSENT FORM

Aloha! My name is Jacqueline Arakaki and you are invited to take part in a research study. I am a graduate student at the University of Hawai'i at Mānoa in the Department of Communication. As part of the requirements for earning my graduate degree, I am doing a research project.

What am I being asked to do?

If you participate in this project, you will be asked to fill out a survey.

Taking part in this study is your choice.

Your participation in this project is completely voluntary. You may stop participating at any time. If you stop being in the study, there will be no penalty or loss to you. Your choice to participate or not participate will not affect your rights to services at the UH Campus Recreational Facilities.

Why is this study being done?

The purpose of my project is to evaluate the effectiveness of services provided at UH's new Campus Recreational Facilities. I am asking you to participate because you recently used these services.

What will happen if I decide to take part in this study?

The survey will consist of 52 multiple choice and open-ended questions. It will take 15 minutes. The survey questions will include questions like, "I use Instagram to get useful information about products or services." "The brand's Instagram content (posts, stories, comments) provides

product information that is reflected in my purchase decisions.” “This brand will provide what I want.” The survey is accessed on a website to which I will provide you a link.

What are the risks and benefits of taking part in this study?

I believe there is little risk to you for participating in this research project. You may become stressed or uncomfortable answering any of the survey questions. If you do become stressed or uncomfortable, you can skip the question or take a break. You can also stop taking the survey or you can withdraw from the project altogether.

There will be no direct benefit to you for participating in this survey. The results of this project may help improve the Career Development and Counseling program to benefit future students.

Confidentiality and Privacy:

I will not ask you for any personal information, such as your name or address. Please do not include any personal information in your survey responses. I will keep all study data securely encrypted on a password protected computer. Only my University of Hawai'i advisor and I will have access to the information. Other agencies that have legal permission have the right to review research records. The University of Hawai'i Human Studies Program has the right to review research records for this study.

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