Impact of Social Media Activities on Employer Brand Equity and Intention to Apply

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Abstract

Using a brand equity perspective, we examine different forms of social media activities (i.e., entertaining, informative and interactive) which are used to create employer brand and their impact on intention to apply. Also, we assess whether employer brand equity dimensions (i.e., employer awareness, employer brand attraction, perceived job attributes) act as a mediating variable between social media activities and intention to apply. A total of 179 respondents evaluated three companies on the three dimensions of social media activities. Employer brand equity and intention to apply was measured using a standard scale drawn from the literature. Data was analysed using descriptive statistics, correlation, and structural equation modelling analysis techniques. Overall, we found that various forms of social media activities lead to higher intention to apply, and that employer awareness and employer attraction mediate the relationship between social media activities and intention to apply. Among the three dimensions of employer brand equity, the dimension of employer awareness seems to have the largest impact on the intention to apply and all three types of social media content generate employer awareness. Organizations can adopt social media strategies as a prominent tool to create employer brand equity and attract the best talent. In addition to traditional media of employer branding, due to the changing profile of job seekers, social media platforms should be considered seriously in promoting the organisation as an employer. Implications for managers and directions for future research are discussed.

Keywords: Social media activities, brand equity, employer brand equity, intention to apply.
Impact of Social Media Activities on Employer Brand Equity and Intention to Apply

In the last decade, the competition for talent has become fierce. Organisations attempt to influence job seekers' application intentions and decisions favourably through several ways. In a global labour market, the key to success is attracting and retaining the best talent, and brands are considered critical in attracting the best employees (Cappelli, 2001). Employer branding focuses on creating the image of organizations as potential employers (Backhaus and Tikoo, 2004) and organizations deploy various employer branding tools to generate and maintain their image in the mind of prospective employees. Major external employer branding tools used by organizations include campus reach, case study competitions, pre placement talks, campus brand ambassadors and participation in the best employer surveys (Saini, Rai, & Chaudhary, 2013). The recent tool in this basket is social media. Social media is increasingly used in employer branding and for recruitment purposes, and companies are increasingly investing resources in the use of social media platforms like Facebook, Twitter and LinkedIn (Davison, Maraist, & Bing, 2011; Sivertzen, Nilsen, & Olafsen, 2013). For example, about 44 percent recruiters used social and professional networks for hiring quality talent in 2014 compared to 36 per cent in the previous year, as per the LinkedIn survey covering over 4,125 talent acquisition leaders globally (Business Line, 2014). Also, 73 percent of recruiters plan to increase their investment in social recruiting in 2014 and about 83 percent of job seekers flock to Facebook and LinkedIn (Jobvite, 2014).

Social media recruiting being a very recent phenomenon, there is a dearth of studies in this field with a few exceptions (i.e., Davison et al., 2011; Madera, 2012; Walker, Feild, Giles, Bernerth, & Short, 2011). Furthermore, social media as a tool is being used in multiple types of interfaces between an employee/potential employee and the organization. With the expanding use of social media by companies for employer branding, it is imperative to study the impact of this media on achieving desired outcomes. Specifically, in this study, we examine different forms of social media employer branding activities and their impact on the intention to apply. Also, we assess whether employer brand equity acts as a mediating variable between social media activities and intention to apply. In other words, we examine how different types of social media content influence various dimensions of employer brand equity which subsequently influence the prospective employee's intention to apply.

The remainder of this paper is structured as follows. The second section reviews relevant literature on consumer brand, employer brand, social media activities and employer brand equity and its dimensions. The third section includes theoretical background and hypotheses development including the conceptual framework. Section four consists of approach and methodology of the research including measure, sample and tools of data collection. The fifth section analyses the data and discusses results. Lastly, conclusions and managerial implications of the findings are presented followed by the limitations and future research areas.
Literature Review

Consumer Brand and Employer Brand

Recent researchers have applied brand equity research to understand job seekers’ application behaviour (i.e., Collins & Stevens, 2002; DelVecchio, Jarvis, Klink, & Dineen, 2007; Kim, York, & Lim, 2011; Lievens & Highhouse, 2003). Literature on brand has primarily focused on marketing and consumer behavior and surprisingly very few studies investigate the effects of brands on other areas of business (DelVecchio et al., 2007; Kim et al., 2011). Research shows that the area of human resource management (HRM) may benefit significantly from a strong brand. For instance, Hieronimus, Schaefer and Schroder (2005) suggest that brands can play an important role in attracting future employees. Kim et al. (2011, p. 166) point out that “to realize the boundary spanning benefits of strong brands, research on the effects of brands beyond the marketing domain should be conducted”.

The Del Vecchio et al. (2007) study identifies the importance of brands as a key asset that is applicable well beyond the area of marketing and found that brands play a major role in job choice. Such results have important implications as employees are critical to customer satisfaction (Schultz, 2002) and organizational performance (Lado & Wilson, 1994). Overall, organizations get competitive advantage in recruitment by leveraging their strong brand (DelVecchio et al., 2007; Kim et al., 2011). Gomez-Mejia (2001) suggests that like product selection, job selection also involves a great degree of uncertainty and risk, and HR represents one of the highest costs in many organizations (Gomez-Mejia, 2001). Greening and Turban (2000) consider that HR is a major source of competitive advantage.

Employer branding is used to explain how companies market their employee value proposition, like consumer value proposition, offerings to current and potential talent pool in the labour market, effectively communicate with them and promote within and outside the firm, a clear message of what makes the company desirable as an employer. One of the main objectives of employer branding is to attract the best talent from the available pool. Literature in acquisition versus retention of a customer demonstrates that retention is fundamental to corporate and financial strength of a firm per se (Werner, Thomas, & Kumar, 2005; Tsao, 2013). Broadly, the ratio of investment required for retention versus acquisition of a customer is 1:5-7 (Pfeifer, 2004) and we believe that the same empirical insights are applicable to retention of talent in a firm. For instance, Hinkin and Tracey (2008) have found that a large percentage of the total turnover costs are spent disproportionately on selecting low complexity jobs, suggesting that managers spend a great amount of time recruiting qualified entry level employees.

Employer Branding and Social Media

Employer brand is a tool adopted by companies to maintain a competitive advantage over the growing competition in the labour market. The four main reasons due to which employer branding has received an increasing amount of attention in the human resource management field as well as in the marketing communities are “brand power, HR’s search for credibility, prevailing labour market conditions and employee engagement” (Jenner & Taylor 2007, p. 7). Employer branding is likely to generate competitive advantage in the form of low employee attrition, high job satisfaction, employee engagement and customer loyalty (Miles & Mangold, 2004). Firms with better
employer brand can afford to pay lower wage rates than the industry average (Ritson, 2002). Thus, recently employer branding is considered as a strategic lever (Moroko & Uncles, 2008), and desirable for an organization (Barrow & Mosley, 2005).

In the post-2009 era, after a period of recession, companies are expanding nationally as well as globally. This requires them to hire a talented workforce. In addition to recruiting new talent from the volatile labour market, it is becoming more difficult for companies to withhold their existing talent due to changing demographic patterns, lack of skilled employees in knowledge-based organizations (Ewing, Pitt, de Bussy, & Berthon, 2002), and high cost of recruitment, selection and training due to attrition (Douglas, Hill, & Conger, 2008). Therefore, companies are revisiting their old model of recruitment and becoming more sensitive to the newer trends in this area; employer branding through the internet and social media is one such new trend.

Social media includes online applications, platforms and media which aim to facilitate interactions, collaborations and the sharing of content. Ranging from social networking sites like Facebook, LinkedIn, etc. to Wikis, blogs, podcasts and video sharing sites, social media has an entire gambit of interfaces to its name. Seeing the demographics of the young talent and their use of social networking, companies have entered into this domain to catch the talent young and unadulterated. Changes in demographics, including retirement of baby boomers and a smaller number of potential employees in the succeeding generations, will also make it more difficult for companies to find and attract new workers to fill job vacancies (Collins & Stevens, 2002).

The World Wide Web has provided new avenues for information sharing and interaction in an entertaining manner through social networking sites. With the penetration of the internet and smart phones, companies are able to explore newer media to interact with prospective employees. Job advertisements can be shared online and candidates’ interest in a particular vacancy can be solicited through social media with a cost lower than before (Borstorff, Marker, & Bennett, 2005). Moreover, passive job seekers can be identified through internet channels (Cappelli, 2001). Use of social media in recruitment, which is analogous to advertising job vacancies on the internet, is now considered as an acceptable method of sourcing employees (Davison et al., 2011) as its generates benefits like low cost, wider reach, quick turnaround time with respect to contact and activities. Evidence shows that the internet facilitates the recruitment process, both for the job seeker and job provider (Borstorff et al., 2005; Walker et al., 2011) and social media can also be used for attracting potential employees (Davison et al., 2011). Sivertzen et al. (2013) suggest that it is important to understand the effect of social media activities on the candidate’s application intention.

There is substantial literature on the effect of brand equity on products/services purchase decisions (e.g., Cobb-Walgren, Ruble, & Donthu, 1995; Changa & Liu, 2009). However, studies examining the impact of employer brand equity on the intention to apply are rare. Researchers (e.g., Davison et al., 2011, p. 158) have clearly pointed out the need to study the increasing role of the internet/social media on HR
decisions that “…research in this area should be directed to assist HR practitioners in addressing these issues when using social networking websites for HR decisions.” Also, literature is generally silent on the effectiveness of social media in generating favourable intention to apply. This study aims to fill the above gaps in the literature in this particular area.

As a means to establish a better employer brand among its current and potential employees, companies are making use of social media tools to maximizing the benefits of their employer branding efforts. Moreover, the use of social media is not merely restricted to employer branding; it is also being used as a viable recruitment channel. Many companies have launched their campaigns across all social media to impact their audience in every possible manner. For example, Sodexo has designed an entirely different career website of their own, dedicated only for hiring and job posting purposes. It has career pages on Facebook for continuously updating career opportunities at Sodexo, a YouTube career video series, a Sodexo career blog, careers pages on Twitter, LinkedIn and Pinterest (Figure 1).

**Figure 1: Social Media Activities by Sodexo**

![Social Media Activities by Sodexo](image)

Source: Author creation using multiple sources

**Consumer Brand Equity and Employer Brand Equity**

**Consumer brand equity**

Advertising refers to paid, professionally designed messages, channelled through various media outlets used to modify consumers’ perceptions (Aaker, 1996). Since advertising is directly controlled by organizations, it can be crafted to create desirable brand-attribute associations in consumers’ minds (Boulding, Lee, & Staelin, 1994) as well as to foster positive attitudes toward the brand (Milgrom & Roberts, 1986; Cobb-Walgren et al., 1995). Recruitment advertising, in the form of brochures and job postings through various media (e.g., newspaper, magazine, social media, etc.) has traditionally been used to disseminate information about openings (Rynes, 1991). It is expected that such advertising has effects on employer brand equity that is similar to those observed on consumer brand equity in marketing.
Aaker (1991, 1996) defined brand equity as the positive or negative effects that the brand has on consumers’ preferences and purchasing decisions of a product or service. According to Keller’s (1991) definition, brand equity consists of two independent factors. The first dimension of brand equity is brand awareness, which represents the strength of a consumer’s memory record for the brand. Greater awareness increases consumers’ ability to identify a brand and the likelihood that the brand will be included in the consideration set (Aaker, 1996; Rossiter & Percy, 1987). The second dimension of brand equity is brand associations, defined as the memory nodes linked to the corresponding brand node in the consumer’s memory, which contain the meaning that the brand has for consumers (Keller, 1991). Aaker (1991, 1996) argued that brand associations facilitate the process of consumer choice and consumers are more likely to choose those brands for which they hold strong, positive associations. There are two key categories of associations – attributes (specific beliefs about the product, service, or organization) and attitudes (general feelings toward the product, service, or organization).

Brands have been identified as a critical means for making points of differentiation between products and creating competitive advantage for organizations (Aaker, 1991). Customer-based brand equity has been defined as consumers’ beliefs about a product that affect their preferences and purchasing decisions relative to other unbranded or weakly branded products with similar attributes (Aaker, 1991, 1996; Keller, 1993). The concept of employer brand equity is analogous to consumer brand equity.

### Employer brand equity

An organization’s efforts to recruit job seekers are similar in many ways to the organization’s efforts to attract consumers to purchase their products or services (Cable & Turban, 2001). Specifically, job seekers and consumers both develop positive or negative perceptions about companies and jobs based on their exposure to messages communicated by an organization (Collins & Stevens, 2002). The marketing literature on brand equity can be used to understand how job seekers develop beliefs about organizations as employers (Cable & Turban, 2001; Collins & Stevens, 2002). Recruitment literature has focused on the applicant’s reactions to different jobs, different recruitment practices, or a combination of the two. This line of research has also utilized the marketing concept of organizational image. Collins and Stevens (2002) identify two broad dimensions of employer brand equity: awareness and associations. They defined awareness as the level of familiarity that job seekers hold regarding an organization. As with consumers, awareness of the company will increase the likelihood that the company will be part of the final decision set when job seekers identify job opportunities (Collins & Stevens, 2002). Following brand equity literature, Collins and Kanar (2013) divide employer brand associations in two categories: surface brand associations and complex brand associations. The former refers to attitudes and overall evaluations of employer brand and can be conceptualised as organisational/employer attraction while the latter refers to job seekers’ beliefs about specific aspects of the job and work environment of the organization and can be conceptualised as perceived job attributes (Collins & Stevens, 2002). We follow the same conceptualisation of employer brand equity in this paper.
Hypotheses Development

Social Media Content and its Influence on Attitude towards Brand

Following literature (Vries, Gensler, & Leeflang, 2012; Kim & Ko, 2012), we classify social media content, relevant to our study, into three categories: entertaining content, informative content and interactive content.

Entertaining content includes posts of pictures, images and videos and are often related to being exciting, fun and cool. The entertainment value of a social networking site is an important reason behind its growing use (Cheung, Chiu, & Lee, 2011; Dholakia, Bagozzi, & Pearo, 2004; Lin & Lu 2011; Park, Kee, & Valenzuela, 2009). Entertainment value drives people to use, co-create or contribute to brand-related content online (Muntinga, Moorman, & Smit, 2011). In terms of an organization’s posting, entertaining content, in the form of videos and other images, is likely to convey a message more effectively than non-entertaining content. Entertaining content may be used to make the viewers aware of the company’s attributes like culture, core values, beliefs and work environment. Taylor, Lewin and Strutton (2011) show that entertaining advertisements create a favourable influence on consumer attitude towards the ad and the brand, and generate a desire to return to the social media channel (Raney, Arpan, Pashupati, & Brill, 2003). We argue that candidates will be more likely to recall entertaining content than non-entertaining content, leading to better awareness and brand comprehension which subsequently contribute to employer brand equity. Thus, we propose:

Hypothesis 1: Entertaining social media content will influence: a) employer brand awareness, b) employer attraction and c) perceived job attributes.

Informative content includes posts which are primarily meant for disseminating information. It may be in the form of company annual reports, spreading media news related to the organization, any announcement related to company, etc. Information seeking is one of the major reasons for the use of social networking sites (Lin & Lu, 2011), participation in a virtual community (Dholakia et al., 2004) and contribution to Facebook groups (Park et al., 2009). People consume brand related content for getting information about the brand (Muntinga et al., 2011).

Literature (Taylor et al., 2011) shows that people generally have favourable attitudes toward informative content on social networks. Thus, it is likely that visitors on social media will have a positive attitude towards informative brand posts compared to non-informative brand posts (Vries et al., 2012). Similarly, informative content is likely to provide more information about the company as an employer and offered job attributes, hence:

Hypothesis 2: Informative social media content will influence: a) employer brand awareness, b) employer attraction and c) perceived job attributes.

Interactive content: Interactivity is defined as “the degree to which two or more communication parties can act on each other, on the communication medium, and on the messages and the degree to which such influences are synchronized” (Liu & Shrum, 2002, p. 54). Interactivity involves two-way communication (between companies and customers) as well as many-to-many communication (among consumers themselves) (Goldfarb & Tucker, 2011; Hoffman & Novak, 1996). An interactive post invokes a dialogue between the medium and the viewer, and it can be in the form of a questionnaire, quiz, contest, voting, etc. However, the degree of interactivity may differ. For
instance, a text post is not interactive, a link to a
website is moderately interactive (Fortin & Dholakia,
2005) while a question/contest is highly interactive in
nature as it attempts to solicit an answer from brand
fans. Overall, research shows that a medium degree of
interactivity of social media content leads to positive
attitude towards a brand (Coyle & Thorson, 2001; Vries
et al., 2012). We hypothesize that:

Hypothesis 3: Interactive social media content will
influence: a) employer brand awareness, b) employer
attraction and c) perceived job attributes.

**Employer Brand Equity Dimensions**

**Employer awareness**

Greater awareness means the brand will be included in
the final consideration set of product or service
Similarly, students searching for jobs are exposed to
the recruitment efforts of several companies and they
have multiple choices for making application
decisions. Thus, student application intentions and
decisions may also be influenced by awareness that
the company exists as an employer (Gatewood,
Gowan, & Lautenschlager, 1993; Turban & Greening,
1997).

Like for a consumer brand, awareness is a fundamental
dimension of employer brand equity as it is the first
step of existence of any employer brand for an
individual (Collins & Stevens, 2002). A person
searching for a job must be aware of a company before
he/she thinks of applying for it. Brooks, Highhouse,
Russell and Mohr (2004) show that applicants are able
to recall a greater number of associations for firms
they are more familiar with and have a higher intention
to apply to. Job seekers’ awareness of an organization
positively impacts applicants’ intentions and

behaviours (Gatewood et al., 1993; Turban, 2001). For
instance, Gatewood et al. (1993) found that students
exposed to a few companies in their coursework had
greater intentions of applying in those companies.
Collins (2007) suggests that the knowledge about an
organization deeply impacts the interest or intention
to apply for a job. Additionally, student applicants
were most affected by the awareness of the company.
Thus,

Hypothesis 4: Employer awareness influences an
applicant’s intention to apply for a job.

**Employer brand associations: employer brand
attraction and perceived job attributes**

Once consumers recall a brand from memory or
recognize the product on a store shelf, consumers use
the associations about a brand held in their memory to
make choices between brands (Gardner & Levy, 1955;
Aaker, 1991). Brand associations are composed of
perceived attitudes about the brand and specific
attributes associated with the brand (Keller, 1993).
Perceived attitudes are consumers’ overall evaluations
of a brand and may be considered to be consumers’
generalized feelings towards the brand (Wilke, 1986).
Perceived attributes are the specific features to
evaluate the products or services for buying decisions
(Keller, 1993). Similar to consumer brand associations,
employer brand associations influence applicants’
behaviours as they represent an employer’s ability to
satisfy potential applicants’ needs (Kristof, 1996).
Therefore, job seekers are likely to choose the
company, with which their perceived associations
about that employer brand are strong, favourable, and
unique (Collins & Stevens, 2002).

Hypothesis 5: Employer brand attraction positively
influences an applicant’s intention to apply for a job.
Hypothesis 6: Perceived job attributes influence an applicant’s intention to apply for a job.

Marketing literature (Kim & Ko, 2012) shows that the paths between social media marketing activities and consumer purchase intention may be mediated by consumer brand equity. Analogous to this, we propose that employer brand equity (dimensions) may act as a mediating variable between social media activities and an applicant’s intention to apply. (Figure 2 shows the conceptual framework of the study).

Figure 2: Conceptual Framework

Methodology
Sample and Data Collection
To study social media activities, companies were chosen based on their presence and activeness on social media platforms. Research (e.g., Vries et al., 2012) shows that the total number of likes is a measure of success of a company’s social media marketing activities. Thus, for this study, we used the number of likes on their Facebook pages as the main selection criterion. Companies specially design their Facebook pages to interact and communicate with potential talent and the number of likes represents the number of people following the company page. These people would be getting daily updates in the form of newsfeed from the company’s Facebook page which includes information about the company, various forms of interaction tools (questionnaires, quizzes) with the applicants, videos and images to pass on information in an entertaining way.

Another important consideration was whether companies are currently active recruiters and are likely to recruit young graduates in the near future too. Based on these two criteria, Hindustan Unilever, ITC and Mahindra & Mahindra were chosen and all three companies had more than 12,000 likes on their Facebook page. The number respondents evaluating each company’s social media activities were 60, 60 and 59 respectively.

The sample included post graduate students who were looking for job opportunities and were already a part of the Facebook page of the selected companies. Students were asked to respond to a standard questionnaire which has questions relating to the three dimensions of social media activities (i.e., entertaining, informative and interactive) of selected companies, three dimensions of employer brand equity (employer awareness, brand attraction and
perceived job attributes) and intention to apply.

We received a total of 179 completed responses. The mean age of respondents was 29 years and there were 92 (51.4 percent) males and 87 (48.6 percent) female respondents. The number of friends on Facebook was captured for each respondent to get an idea about their level of socialization on social media. Approximately 44 percent of the respondents had friends in the range of 901 and 1,200 followed by 29.6 percent respondents having friends between 601 and 900.

Approximate daily time spent on Facebook was also recorded for every respondent as it can influence the exposure that the respondent might have for the social media marketing activities done by the companies. 46.4 percent of the respondents spent time in the range of 1 to 2 hours daily on Facebook followed by 41.9 percent respondents who spent time between 31 minutes and 1 hour daily on Facebook (See Table 1).

<table>
<thead>
<tr>
<th>No. of friends on Facebook</th>
<th>No. of respondents</th>
<th>Time Spent daily on Facebook</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;600</td>
<td>14(7.8)</td>
<td>&lt;30 minutes</td>
<td>19(10.6)</td>
</tr>
<tr>
<td>601-900</td>
<td>53(29.6)</td>
<td>31 minutes -1hr</td>
<td>75(41.9)</td>
</tr>
<tr>
<td>901-1200</td>
<td>79(44.1)</td>
<td>1-2hrs</td>
<td>83(46.4)</td>
</tr>
<tr>
<td>&gt;1200</td>
<td>33(18.4)</td>
<td>&gt;2hrs</td>
<td>2(1.1)</td>
</tr>
</tbody>
</table>

With the onset of technology, the use of social media also plays an important role on the exposure to the users; hence, this too was captured. 52.5 percent of the respondents used only hand held devices i.e. Smartphones and Tablets, for accessing social media while 26.8 percent of the respondents used all forms (Desktop, Laptop, Smartphones and Tablet) for using social media.

**Measures**

**Social media activities:** A 12-item scale adapted from Kim and Ko (2012) was used to measure the three dimensions of social activities. The questions were classified into three categories which measured entertaining, informative and interactive dimensions, and four items were used for each dimension. This operationalisation of social media activities is consistent with recent research studies (Vries et al., 2012). Typical questions in the questionnaire are “The contents found on the organization's social media seem interesting” for entertaining dimension, “It is convincing to find information provided by the organization's social media” for informative dimension and “It is possible to do a two-way interaction through the organization’s social media” for interactive dimension on a 5-point Likert scale (1= strongly disagree; 5 = strongly agree).

**Employer brand equity dimensions:** The first dimension of employer brand equity – employer awareness, was measured using a three-item scale, following the literature (Collins, 2007). The second dimension – employer brand attraction was measured using a three-item scale (Collins & Stevens, 2002; Taylor & Bergmann, 1987) and the third dimension - perceived job attributes, was assessed using an eight-
item measure adapted from Collins (2007). The perceived job attributes scale had items which potential applicants might consider while applying for a job in a company: i.e., average salary that the company offers, location of job, nature of job, career advancement opportunities, job security, work environment in the company, benefits the company offers and work-life balance.

**Intention to apply:** Intention to apply was measured using a three-item scale (Taylor & Bergmann, 1987; Saini et al., 2013). A sample scale item is “If I were searching for a job, I would seriously consider an application to this offer” on a 5-point Likert scale (1= strongly disagree; 5 = strongly agree).

**Data Analysis, Results and Discussion:** First, we checked the scale reliability using the Cronbach Alpha measure. All constructs showed a Cronbach's Alpha value of more than 0.66, indicating adequate reliability of the used scales (Table 2).

<table>
<thead>
<tr>
<th>Construct</th>
<th>Scale</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media activities</td>
<td>Entertaining</td>
<td>0.837</td>
</tr>
<tr>
<td></td>
<td>Informative</td>
<td>0.758</td>
</tr>
<tr>
<td></td>
<td>Interactive</td>
<td>0.689</td>
</tr>
<tr>
<td>Employer brand equity</td>
<td>Employer awareness</td>
<td>0.664</td>
</tr>
<tr>
<td></td>
<td>Employer brand attraction</td>
<td>0.768</td>
</tr>
<tr>
<td></td>
<td>Perceived job attributes</td>
<td>0.826</td>
</tr>
<tr>
<td>Intention to apply</td>
<td>Intention to apply</td>
<td>0.979</td>
</tr>
</tbody>
</table>

Descriptive statistics, correlation analysis, and structural equation model techniques were used to analyse the data and test the hypotheses. Descriptive statistics and correlation coefficient between the variables are shown in Table 3. It can be observed from Table 3 that all three constructs of social media, i.e. entertaining (r = 0.623), informative (r = 0.689) and interactive (r = 0.560), are positively and significantly related to the intention to apply. Also, the intention to apply shows a significantly high correlation with all the three variables of employer brand equity, i.e. employer awareness, employer attraction and perceived job attributes. Among them, the highest correlation is observed with the variable perceived job attributes (r = 0.767) followed by employer attraction (r = 0.678) and employer awareness (r = 0.660). Since we wanted to test multiple relationships together, structural equation model (SEM) was the most obvious data analysis technique as other methods like ordinary least squares (OLS) regression cannot provide estimates for multiple paths. Thus, hypotheses were tested using SEM analysis. Table 4 shows the SEM analysis results obtained from Amos version 20. SEM model fitted well as it can be inferred from the model fit statistics reported in Table 4. We created a full structural model based on the major hypotheses; the same is shown in Figure 2. The structural model fit was good (chi-square = 173.75, d.f. = 91, GFI = 0.90; TLI = 0.99; CFI = 0.95; NFI = 0.91; RMSEA = 0.07 and Standardized RMR = 0.04) (Model 1). Table 4 shows the standardized path coefficients (SPCs) and associated t-values for all relationships in the structural model.
### Table 3: Descriptive Statistics and Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Entertaining</th>
<th>Informative</th>
<th>Interactive</th>
<th>Awareness</th>
<th>Attraction</th>
<th>Perceived job attributes</th>
<th>Intention to apply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entertaining</td>
<td>3.59</td>
<td>0.77</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informative</td>
<td>3.67</td>
<td>0.60</td>
<td>0.712(**)</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interactive</td>
<td>3.65</td>
<td>0.58</td>
<td>0.632(**)</td>
<td>0.687(**)</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness</td>
<td>3.82</td>
<td>0.55</td>
<td>0.491(**)</td>
<td>0.578(**)</td>
<td>0.470(**)</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attraction</td>
<td>4.06</td>
<td>0.63</td>
<td>0.684(**)</td>
<td>0.645(**)</td>
<td>0.538(**)</td>
<td>0.520(**)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived job attributes</td>
<td>3.87</td>
<td>0.49</td>
<td>0.624(**)</td>
<td>0.684(**)</td>
<td>0.543(**)</td>
<td>0.608(**)</td>
<td>0.728(**)</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Intention to apply</td>
<td>3.99</td>
<td>0.90</td>
<td>0.623(**)</td>
<td>0.689(**)</td>
<td>0.560(**)</td>
<td>0.660(**)</td>
<td>0.678(**)</td>
<td>0.767(**)</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: ** Correlation is significant at the 0.01 level (2-tailed).
Table 4: Results of SEM Model: Structural Model 1 and Model 2

<table>
<thead>
<tr>
<th>Structural Paths</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Standardized Path Coefficients</td>
<td>t-value</td>
</tr>
<tr>
<td>Employer awareness → Intention to apply</td>
<td>0.452</td>
<td>4.38***</td>
</tr>
<tr>
<td>Employer attraction → Intention to apply</td>
<td>0.242</td>
<td>3.18***</td>
</tr>
<tr>
<td>Perceived job attributes → Intention to apply</td>
<td>0.257</td>
<td>2.62***</td>
</tr>
<tr>
<td>Entertaining → Employer awareness</td>
<td>1.39</td>
<td>1.88*</td>
</tr>
<tr>
<td>Entertaining → Employer attraction</td>
<td>1.08</td>
<td>4.05***</td>
</tr>
<tr>
<td>Entertaining → Perceived job attributes</td>
<td>-0.46</td>
<td>-0.75</td>
</tr>
<tr>
<td>Informative → Employer awareness</td>
<td>2.99</td>
<td>1.70*</td>
</tr>
<tr>
<td>Informative → Employer attraction</td>
<td>-0.65</td>
<td>-1.46</td>
</tr>
<tr>
<td>Informative → Perceived job attributes</td>
<td>3.01</td>
<td>1.88*</td>
</tr>
<tr>
<td>Interactive → Employer awareness</td>
<td>2.68</td>
<td>2.03**</td>
</tr>
<tr>
<td>Interactive → Employer attraction</td>
<td>0.60</td>
<td>1.76*</td>
</tr>
<tr>
<td>Interactive → Perceived job attributes</td>
<td>-1.82</td>
<td>-1.44</td>
</tr>
<tr>
<td>Entertaining → Intention to apply</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informative → Intention to apply</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interactive → Intention to apply</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Model fit statistics

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square</td>
<td>173.755</td>
<td>167.13</td>
</tr>
<tr>
<td>d.f.</td>
<td>91</td>
<td>88</td>
</tr>
<tr>
<td>GFI</td>
<td>0.90</td>
<td>0.91</td>
</tr>
<tr>
<td>TLI</td>
<td>0.93</td>
<td>0.93</td>
</tr>
<tr>
<td>CFI</td>
<td>0.95</td>
<td>0.96</td>
</tr>
<tr>
<td>NFI</td>
<td>0.91</td>
<td>0.92</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.07</td>
<td>0.07</td>
</tr>
<tr>
<td>Standardized RMR</td>
<td>0.05</td>
<td>0.05</td>
</tr>
</tbody>
</table>

Variance Explained (R square)

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention to apply</td>
<td>0.77</td>
<td>0.73</td>
</tr>
<tr>
<td>Employer awareness</td>
<td>0.29</td>
<td>0.28</td>
</tr>
<tr>
<td>Employer attraction</td>
<td>0.77</td>
<td>0.73</td>
</tr>
<tr>
<td>Perceived job attributes</td>
<td>0.52</td>
<td>0.40</td>
</tr>
</tbody>
</table>

Note: *,**, and *** Coefficient significant at the 0.1, 0.05 and 0.01 level respectively.
The results suggest that paths between various types of social media activities and employer brand equity are statistically significant (i.e., Entertaining → Employer awareness (H1a); Entertaining → Employer attraction (H1b); Informative → Employer awareness (H2a); Informative → Perceived job attributes (H2c); Interactive → Employer awareness (H3a); Interactive → Employer attraction (H3b)), supporting respective hypotheses. Data shows no support for H1c, H2b and H3c. The relationship between employer brand equity dimensions (i.e., employer awareness, employer attraction and perceived job attributes) and intention to apply was statistically significant at 0.01 level which supports H4, H5 and H6; and SPCs for these three dimensions are 0.452, 0.242 and 0.257 respectively. Covariates age, gender, time spent on social media and number of friends on social media were not significant so they were removed from the final model. We hypothesized that employer brand equity variables (i.e., employer awareness, employer attraction and perceived job attributes) mediate the relationship between social media activities (i.e., entertaining, informative, and interactive) and intention to apply (i.e., H7a, H7b and H7c). To test our hypotheses, first we estimated a rival model including a direct link between social media activities and intention to apply. In this model, social media activities were considered independent variables while intention to apply was taken as a dependent variable. The model fitted well (chi-square = 101.25, d.f. = 34, p < 0.01, GFI = 0.92, TLI = 0.93, CFI = 0.95, NFI = 0.90). The relationship between social media activities and intention to apply (Entertaining: SPC=0.40, t-value=3.04, P-value < 0.01; Informative: SPC=0.30, t-value=2.07, P-value < 0.05; Interactive: SPC=0.09, t-value=2.13, P-value < 0.05) were significant.

Later, to check the mediation effect, we connected social media activities directly to intention to apply and run Model 2. Model fitted statistics were chi-square = 167.13, d.f. = 88, p < 0.01, GFI = 0.91, TLI = 0.93, CFI = 0.96, NFI = 0.92 (Model 2). Table 4 shows that all three coefficients are insignificant (i.e., Entertaining → Intention to apply, Informative → Intention to apply, Interactive → Intention to apply) suggesting a mediating role of employer brand equity variables. However, Model 2 results suggest that only two variables - employer awareness (SPC=0.52) and employer attraction (SPC=0.31) - are significant (supporting H7a and H7b) while perceived job attributes is insignificant (not supporting H7c). Other results are similar to the results obtained in Model 1 except that the SPC of Informative → Perceived job attributes becomes insignificant. This is not surprising given that perceived job attributes does not influence the intention to apply in this Model. Thus, we found that employer awareness and employer attraction mediates the relationship between social media activities and intention to apply. Between these two dimensions, employer awareness seems to have the largest impact on the intention to apply (SPC = 0.52). Also, it can be inferred from the significant coefficients of both the Models that all types of social media content (i.e., entertaining, informative, and interactive) generates employer awareness and informative content exerts the largest influence followed by interactive content. This suggests that an employer can use any form of social media content to create employer awareness.

In general, our findings are analogous to marketing literature related to the effect of social media on consumer purchase decisions (Kim & Ko, 2012; Vries et al., 2012). We extend this argument in the HRM field that social media activities significantly affect a candidate’s intention to apply directly and through the
employer brand equity variables indirectly. With the changing profile of job seekers (in particular, high familiarity with new technology and activeness on social media) and advent of technology, the potential talent is easily accessible to employers and employers can position themselves as a good employer in the mind of job seekers through the use of social media in an entertaining, informative and interactive manner. Simultaneously, on the social media platform, applicants can interact with their dream employer and get necessary information to clarify their doubts regarding the job attributes in particular and company in general. To an employer, a social media platform also provides an opportunity of engaging in two-way communication with the prospective employees which is otherwise not possible in traditional media vehicles.

As seen from the results, all types of social media content affects the level of awareness about the employer; therefore, it makes sense to use social media activities for this; higher employer awareness is likely to influence application behaviour positively. These results are similar to studies by Collins (2007) and Sivertzen et al. (2013). We believe that the concept of brand equity is equally important in the HRM field as it enables the recruiter to attract a large talent pool and brings several other benefits.

Conclusions, Implications, Limitations and Future Research

In today’s scenario of war for talent, employer branding has become an important strategy for many organizations to attract the best talent. This research analysed the role of social media activities in employer branding initiatives and recruitment. We conclude that organizations can adopt social media strategies as a prominent tool to create employer brand equity and attract the best talent. In addition to traditional media of employer branding, due to the changing profile of job seekers, social media platforms should be considered seriously in promoting the organisation as an employer.

This study has the following important implications on organisations: First, since the use of the internet and social networking sites such as Facebook, MySpace and LinkedIn for recruitment and selection is increasing (Davison et al., 2011), organisations need to seriously assess the basket of recruitment tools and modify their HR practices according to the changing patterns. A systematic assessment of cost-benefit analysis of each method should be carried out. Second, organisations would continue to use a variety of methods for recruitment; therefore, it’s important to examine the relative effectiveness of each method. Resource allocation in each recruitment method must be justified on the basis of effectiveness parameters. Also, relative effectiveness of each social networking site should be examined before designing a comprehensive policy on the organisation’s use of social media because evidence shows that social networking sites differ in terms of clientele (Atal, 2007; Levy, 2007). Third, considering the generational differences and multiple segments in the labour market, appropriateness of traditional versus internet/social media methods as a tool of recruitment
should be examined. Some earlier studies indicate that Generation Y may have a different perception towards use of the internet/social media in recruitment than the older generation (Peluchette & Karl, 2009). Fourth, an organisation can use social media activities to create employer brand equity; however, it must be noted that social media users can also erode the organisation’s reputation as an employer or otherwise by sharing a single negative experience with other members of social media (Davison et al., 2011). Thus, specialised resources/employees should be dedicated for monitoring the effect of social media activities on organisations in general and recruitment in particular on a real-time basis. As of now, a majority of organisations do not have a formal policy for social media sites (Deloitte, 2009; SHRM, 2008) and 82 percent of recruiters are not fully skilled to handle social media recruiting (Jobvite, 2014). Fifth, employer awareness and employer attraction moderate the relationship between social media activities and intention to apply while the same is not true for perceived job attributes. Thus, organisations should focus on creating employer awareness and attraction by the use of social media, if their objective is to attract a large pool of talent through their recruitment drive.

Sixth, designing a social media campaign would require good knowledge of promotion strategy, branding, media planning and execution; therefore, HR managers can capitalise on the marketing talent available within and outside the firm.

The paper offers important implications for HR practitioners. At the same time, researchers can help practicing managers by probing deeply into some of the following questions. What is the perception of prospective employees towards the accuracy of information provided through social media? Whether the use of social media/internet leads to better quality talent than traditional media? Whether total benefits such as speed and low cost outweigh the cost of using these methods (e.g., investment of resources and hiring of a bad applicant)? What is the perception of potential applicants about the fairness of social media as a recruitment method? We believe it is important to answer these questions before making use of social media in recruitment in a full-fledged manner. Also, the use and benefits of social media activities may not be constant across sectors (FMCG, services, manufacturing, etc.) and markets (i.e., business to consumer and business to business), so it may be interesting to examine whether companies operating in a particular market and industry should use social media more heavily than others.

This study provides important insights about the role of social media activities in generating employer brand equity and candidate’s application behaviour. However, few limitations should be noted before generalizing the results. In this study, we focussed on non-working candidates who were searching for jobs. However, employees working in an organization and looking to change their job also form a part of the talent pool and hence, it is important to capture their views on social media activities done by the companies. Second, we did not carry out company-level analysis as firm-wise sample was inadequate to provide robust statistical results, so further studies providing firm level and industry level insights are encouraged.
References


• Liu, Y., & Shrum, L.J. (2002). What is interactivity and is it always such a good thing? Implications of definition, person, and situation for the influence of interactivity on advertising effectiveness. *Journal of Advertising*, 31(4), 53–64.


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