

# MISQ Archivist

## Playing to the Crowd? Digital Visibility and the Social Dynamics of Purchase Disclosure

*Lauren Rhue and Arun Sundararajan*

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### Abstract

As people “share” more of their lives on social media, their consumption and purchase behaviors become increasingly visible to their peers, spawning a new form of digitally enabled conspicuous consumption. We examine how the ensuing dynamics of social commerce affect these visibility choices. We use data from a platform dedicated exclusively to facilitating the display of verified online and offline purchases with optional product commentaries. We use fixed effects and matching techniques to control for endogeneity in commentary and consumer disclosure, while embedding a new text-based model of product similarity into our econometric analysis and capturing product complementarity using network-based measures of similarity. Our findings demonstrate that disclosed purchase patterns are shaped by other users, even those with whom the discloser has no previously stated relationship. We find that the source of attention shapes disclosure behavior, and we uncover a relationship between comments and purchase similarity of disclosed purchases, suggesting that consumers play to the crowd. The negative relationship between product reviews and purchase disclosure suggest that consumers may disclose a purchase because of a relationship with that particular item and not a desire to habitually reveal purchases. Our results shed new light on the distinction between digital visibility and social buzz, with managerial implications for retailers and social media platforms that support social consumption.