
Emergent Research Forum Papers

Jia Shen
College of Business Administration
Rider University
jiashen@rider.edu

Introduction

As Web 2.0 and social networking technologies continue to spread globally and becoming mainstream, companies are strategizing on ways to harness them for business. Since 2007, a new term “Social Commerce” has emerged to capture a new category of E-commerce where the main approach is to combine the power of social networking with online shopping (Steel 2007; Wesson 2010).

The distinctive feature of social commerce is its focus on supporting the social aspect of an online shopping experience. Social commerce websites are designed to be online shopping communities, examples including Pinterest and Kaboodle in the US, and Mogujie, Meilishuo, and Taojianghu in China. Social commerce websites offer many unique features to facilitate online social interactions, such as rich user profiles, sharable shopping lists, blogs, polls, and other user-driven content and features.

As social commerce websites spread globally, academic research to study design, user behavior, and business strategies is just starting to emerge (Hajli 2015; Zhang et al. 2014). Despite tremendous business interests and potentials, few studies have been conducted to explore factors that affect user behaviors on social commerce websites, and empirically examine them cross cultures. The emergence of social commerce calls for empirical studies to advance theories in studying this new phenomenon, and also to offer practical implications for companies developing social commerce strategies for global online consumers.

Theoretical Background

There is an increasing awareness that e-commerce and online social networks can mutually benefit each other to enhance their sustainability (Zhang et al. 2013). One key issue in social commerce is user’s intention to buy from social commerce website, without which social commerce is not viable as a business model (Pöry et al. 2013). Behavioral Intentions to buy is used in this study to examine a user’s intentions to make a purchase on a social commerce website. Given the emergence of social commerce as a new and global phenomenon, the main research questions are: what are the factors that are uniquely important to explain user’s intentions to buy on a social commerce website? Will their impacts hold across cultures?

Based on theory reviews and previous cross-culture studies, two constructs emerge as likely to have significant impacts on user’s behavioral intentions: trust in a social commerce website, and perceived enjoyment of a social commerce website. Further theory review suggests three additional constructs as likely antecedents to trust and perceived enjoyment: structural assurance, social presence, and tendency to social comparison. They are discussed in details below.

Trust

Trust is central in business transactions and the adoption of new technologies. In general, trust is the expectation that others choose to trust will not behave opportunistically by taking advantage of the situation. Studies have shown that trust is particularly important in E-commerce because of the limited human interactions between the shopper and the vendor (Palvia 2009). Online consumers must trust that the online vendor will not engage in harmful opportunistic behaviors, such as unfair pricing,
conveying inaccurate information, violations of privacy, unauthorized use of credit card information, and unauthorized tracking of transactions. Indeed, studies have shown that online customers stay away from online shopping whom they do not develop trust (Jones et al. 2008).

In this study, trust in a social commerce website refers to the user’s belief that the social commerce platform provider can be trusted, and the feeling of confidence, security, and caring of the website. Empirical studies have demonstrated that trust significantly affect the use of information systems such as E-commerce and ERP systems, customer loyalty, and satisfaction.

**Perceived Enjoyment**

Online shopping is a voluntary and hedonic activity, and users participate because they are intrinsically motivated. The experience often offers entertainment and fun, which users have been found to appreciate (Mathwick 2002). Developed in the psychology literature, flow theory describes a state in which people are so involved in an activity that nothing else seems to matter (Csíkszentmihályi 1990). Adapted into information systems, the concept of perceived enjoyment has been defined and measured as the extent to which the activity of using a specific system is perceived to be enjoyable in its own right, aside from any performance consequences resulting from system use (Davis et al. 1992).

Previous research suggest that traditional usability approaches are too limited to fully explore user technology usage and should be extended to encompass enjoyment (Blythe et al. 2003). This study postulates that the experience of being engaged or simply having fun can have an impact on the user’s intention to buy on a social commerce website. Studies have found perceived enjoyment to be a significant antecedent to a user’s intentions to use technologies for activities such as web browsing (Novak et al. 2000), and instant messaging (Lu et al. 2008).

**Structural Assurance**

Based on research on trust and previous cross-culture studies in E-commerce, structural assurance emerges as a factor that is significant to trust in a social commerce website. McKnight et al. (2002) developed a multi-dimensional model of trust for E-commerce. The model includes four high-level constructs: 1) disposition to trust – a person’s tendency to trust others; 2) institution-based trust – the belief that the needed structural conditions are present on the Internet to ensure online business; 3) trusting beliefs – confidence in the Internet vendors to act in the shoppers’ interests, and 4) trusting intentions – willingness to depend and rely on the online vendors. The relationships among these constructs were validated empirically (McKnight et al. 2002). Subsequent studies have found the validity of this model in E-commerce settings (Gefen et al. 2014; Montazemi et al. 2014).

In this study, structural assurance refers to the user’s belief that the Internet infrastructure and structural conditions are in place for successful Internet transactions, such as technological standards, legal guidelines, and the Internet business environment. Previous studies suggest structural assurance leads to trust in E-commerce (Gefen et al. 2014; Montazemi et al. 2014).

**Social Presence**

A central difference between E-commerce and the traditional brick and mortar commerce is that retail websites frequently lack the social appeal or human warmth of a face-to-face shopping experience. Online shopping is primarily geared towards reducing the user’s cognitive burden, and is characterized as impersonal, anonymous, and automated compared with traditional face-to-face commerce. Previous studies in E-commerce indicated that the lack of social presence may impede its growth because of the lack of human interactions and trust (Gefen et al. 2003).

Previous research has been drawn to the concept of social presence to explore the lack of human warmth online. Rooted in information richness theory (Daft et al. 1984), social presence is defined as the extent to which a medium allows a user to experience others as being psychologically present (Fulk et al. 1987). Earlier e-commerce websites that only support the transactional aspect of online shopping are considered information-lean. Research has shown that increased sense of social presence can be achieved through stimulating the imagination of interaction with other humans (e.g., through socially rich text and picture content, personalized greetings, human audio and video, intelligent agents), or by providing means for
actual interaction with other humans. Studies have shown that technologies such as personalization, recommendation, and consumer reviews can enable the feeling of a place where people interact, thus increasing the social presence of websites (Kumar et al. 2006), which could in turn enhance trust and perceived enjoyment of websites.

**Tendency to Social Comparison**

Theory on social comparison points out a factor which is likely to influence perceived enjoyment, especially considering the social nature of social commerce websites. Social comparison is an essential social phenomenon where human beings compare themselves with others for self-evaluation and information seeking. While the original theory of social comparison (Festinger 1954) treated social comparison as a secondary choice when objective information to evaluate oneself is not available, subsequent research suggests that social comparison is a central feature of human social life (Buunk et al. 2007). The theory has also been extended to different types of opinion comparison, and expanded into new areas of study such as economic behavior.

In this study, tendency to social comparison is defined as the degree to which an individual tends to compare his or her opinions with others, and be influenced by others when shopping online. Studies have found that individuals differ quite a bit in their tendency to compare themselves with others (Buunk et al. 2007). Marketing research indicates that consumers are influenced by other consumers in their decision-making processes, such as information seeking, alternative evaluation, and choice (Duhan et al. 1997). In information systems, studies found that the users’ tendency to compare themselves with others is significant antecedent to the use of an avatar-based virtual community system (Song et al. 2006) and electronic Word-of-Mouth websites (Hennig-Thurau et al. 2003).

**National Culture**

This study aims to examine users and social commerce in two cultures: the US and China. The US and China are not only the two most powerful world economies, but also represent two distinctive cultures. In his widely cited research, Hofstede (1980) identifies several dimensions for characterizing national culture, including: individualism vs. collectivism, power distance, uncertainty avoidance, long-term orientation, and masculinity vs. femininity. Hall and Hall (1990) added another dimension: context, which has been confirmed by many researchers (de Mooij 2003). The US and China differ in several cultural dimensions, such as individualism, uncertainty avoidance, and context. Previous studies have shown that culture influence the attitude towards and use of IT, including use of E-commerce websites (Hassanein et al. 2009; Hwang et al. 2006).

**Proposed Research Model**

Based on the theory review, a research model is proposed with six variables: trust in a social commerce website, perceived enjoyment, structural assurance, social presence, tendency to social comparison and behavioral intention to buy on a social commerce website. Additionally, culture as a moderating factor is examined for its impact on each of the hypotheses. Figure 1 presents the research model. Details of the hypotheses are omitted due to space constraints.
Data Collection

An empirical study is being conducted to collect survey data from Internet users in both US and China. Students from a university in the US and exchange students from China participate in the study. Subjects are asked to browse a social commerce website to complete shopping tasks, and then fill out a survey. All research documents are prepared in English and then translated into Chinese, and cross-examined to ensure consistency. In designing the questionnaire, scales for the constructs are based on previous research and adapted into the social commerce context. All items are measured on a seven-point scale ranging from strongly disagree (1) to strongly agree (7). The questionnaire also collects user information such as demographics, current use of online shopping and social networking websites, as well as open-ended questions.

Potential Contributions

This research examines an emerging E-commerce platform: social commerce. Theoretically, this research contributes to information systems research by identifying factors that are unique in understanding trust and enjoyment, and the use of social commerce websites cross cultures. Practically, the study results will provide insights on building social media presence (Rawat et al. 2014) and designing social commerce technologies to create a trustworthy and enjoyable online experience for global users.

REFERENCES

Cross-Cultural Trust Enjoyment in Social Commerce: Study Proposal

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