Impacts of Social Media Usage in Cross-cultural Social Commerce: the roles of cultural intelligence and cultural distance

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Abstract: In spite of the increasing significance of social commerce, social media usage does not necessarily generate user's intention to purchase on social commerce websites, particularly in cross-cultural environment marked with cultural dissimilarities and uncertainties. The current research clarifies the mechanism through which social media usage affects individual's intention to purchase on social commerce websites. The findings demonstrate that two dimensions of social media usage positively increase user's intention to purchase on social commerce websites via cultural intelligence and cultural intelligence responds as an effective conduit partially mediating the relationship between informational social media usage and user's purchase intention, whilst fully mediating the relationship between socializing social media usage and user's intention to purchase. Furthermore, cultural distance plays as a noisy channel to attenuate the positive effects of social media usage on individual's intention to purchase. The implications and limitations of this research are also discussed.

Keywords: Social commerce, social media usage, cultural intelligence, cultural distance, cross-cultural context

1. Research background and questions

Although social commerce has been identified as an effective channel to impact business practice models over the years [1], individuals' intention to purchase on social commerce websites is not necessarily generated because of potential risks and inaccurate information existing in social media and fraud on consumers[2]. The mission to expand social commerce becomes particularly hard when social commerce is exposed to an international environment which is characterized with cultural dissimilarities and uncertainties [3, 4].

In order to fill in the gaps of previous research and investigate how to increase customers' intention to purchase on social commerce websites in a foreign environment, the current research raises the following questions:

1. How do two dimensions of social media usage exert respective impacts on customers' intention to purchase on social commerce websites in cross-cultural context?

2. What is the underlying mechanism driving customers' intention to purchase on social commerce websites from social media usage?

3. What role does the boundary condition (cultural differences) play in influencing customers' intention to purchase on social commerce websites cross-cultural contexts?

Based on the research framework, the current research examines the direct and indirect relationships between two dimensions of social media usage and individuals' intention to purchase on social commerce websites, the mediating role of cultural intelligence[5] (individual's key capability to deal with cross-cultural issues) and moderating role of cultural differences[6].

2. Research methodology

A final total of 342 questionnaires were collected back with a response rate of 85.5%. Two unqualified questionnaires were removed and the final list of 340 questionnaires was used for the current research. A regression analysis was conducted to examine the related hypothesis. All the predictions were supported well by

the regression analysis of the data collected from 340 international students.

3. Research findings

The research confirmed that two dimensions of social media usage both generate user's intention to purchase on social commerce websites. In addition, the research unveiled that in cross-cultural environment, social media usage helps develop user's cultural intelligence, thereby enhancing user's intention to purchase on s-commerce sites. Furthermore, the research discovered that cultural distance negatively moderates the relationship between social media usage and user's cultural intelligence.

4. Theoretical and practical implications

To the best of our knowledge, this study is among the first trials exploring the unique functionalities of two different dimensions of social media usage influencing user's intention to purchase on social commerce websites in cross-cultural environment, which contributes to the literature of information management studies. Further, cultural intelligence was found to play different mediating roles in the relationships between two dimensions of social media usage and user's intention to purchase on social commerce websites. More importantly, the results indicate that cultural intelligence plays different roles mediating the relationships between two dimensions of social media usage and user's intention to purchase on social commerce websites in such a way that cultural intelligence partially mediates the relationship between informational social media usage and user's intention. The research findings make contribution to cross-cultural studies as well by combining the research perspectives of information management, social commerce and cross-cultural studies. Finally, we found that cultural distance attenuates the effectiveness and gratifications of social media usage on the user's cultural intelligence. Furthermore, it is interestingly noted that cultural distance operates differently as a boundary condition and exerts more negative effects on socializing social media usage than on informational social media usage.

The current research findings also offer managerial implications. First, social business practitioners should highlight the significant roles of social media usage in promoting user's intention to purchase on social commerce sites. Second, cultural-related training or familiarizing programs pertaining to cultural knowledge related to company's online products should be regarded as complimentary measures of marketing strategy to develop cultural intelligence of targeted international users to generate their motivations, interests and intention to purchase on s-commerce sites for online shopping. Finally, social commerce business practitioners should be fully aware of the negative effects of cultural distance in cross-cultural environment.

5. Limitations and future research

Despite important contributions, the study also has some limitations that offer prospective avenues for future research efforts. First, we conducted the survey with samples of international students studying in Chinese universities, who receive less attention for s-commerce research. However, the majority of students are from African and Asian countries. Second, more empirical research is necessary to further investigate other potential mediators and situational factors to elaborate on the relationships between social media usage and user's online shopping intention. Finally, the research adopted cross-sectional design which presents less possible causal relationships between variables.

6. Conclusion

Taking the perspective of uses and gratifications, we conducted an empirical study to extend social commerce research into much more complicated cross-cultural context by examining the effects of two

dimensions of social media usage on user's intention to purchase on s-commerce websites via cultural intelligence and the moderating effects of cultural distance attenuating the relationships between social media usage and cultural intelligence. This research is one of the first trials with attempt to advance our understandings about how s-commerce is conducted in cross-cultural environments.

ACKNOWLEDGMENTS

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