Social Applications: The Effects of Privacy Calculus on Usage Behavior

Bharat Ramesh  
*The University of New South Wales, b.ramesh@student.unsw.edu.au*

Ben CF Choi  
*The University of New South Wales, chun.choi@unsw.edu.au*

Follow this and additional works at: [http://aisel.aisnet.org/sighci2014](http://aisel.aisnet.org/sighci2014)

Recommended Citation
[http://aisel.aisnet.org/sighci2014/4](http://aisel.aisnet.org/sighci2014/4)

This material is brought to you by the Special Interest Group on Human-Computer Interaction at AIS Electronic Library (AISeL). It has been accepted for inclusion in SIGHCI 2014 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.
Social Applications: The Effects of Privacy Calculus on Usage Behavior

Bharat Ramesh
Australian School of Business
The University of New South Wales
Australia
b.ramesh@student.unsw.edu.au

Ben CF Choi
Australian School of Business
The University of New South Wales
Australia
chun.choi@unsw.edu.au

ABSTRACT
Social applications have attracted massive usage across the globe. Indeed, the economy of social applications led to the creation of almost a quarter of a million new jobs and over $15 billion in spinoff benefits for the American economy. Despite the value of these applications, this topic has received little attention in the information system community. To fill this gap in the literature, this article focuses on the effects of privacy calculus on individuals’ usage of social applications. In particular, this study draws on the social information processing (SIP) perspective to proposes two categories of antecedents, namely application characteristics and social environment. First, according to the social information processing perspective, individuals consider the unique characteristics of an object in evaluating social applications. In this study, we pay special focus on two key attributes, namely perceived compatibility and perceived complexity. In addition to the two key attributes of social applications, this study pays special attention on information collection and information control, which subsumes profile information acquired by the social application as well as the way the social application takes over the control of personal profile from individuals. Therefore, to reflect the importance of information collection and information control, this study examines acquisition extensiveness and profile impersonation.

Second, the social information processing perspective posits that individuals’ perceptions are not only determined by specific technology characteristics but also are determined by the social environment in which individuals’ perceptions are formed. Hence, to elucidate the role of the social environment in social application usage, this study examines the installed base and peer usage of the social application.

In essence, we propose that the four application characteristics and the two aspects of social environment are the key antecedents of individuals’ privacy evaluation, which consists of perceived privacy invasion and perceived application value. Individuals’ perceptions, in turn, influence their usage behavior, namely approach behavior and avoidance behavior.

Since social applications users are the target population for data collection in this study, it seems appropriate to collect data through an online survey. To solicit participants, a general recruitment advertisement will be posted on university forum and some popular websites. The advertisement will include a short description of the study and a hyperlink to the online survey questionnaire. The survey will be divided into three parts. The first part includes some descriptions of the study, acknowledgment, and examples of social applications. In the second part, respondents will be asked to report a social application that they randomly selected on Facebook app center. They will be instructed to read the information about the application carefully. Upon completing the application information page, respondents will be presented with the measurements for all research variables. Finally, the third part will include measurements for the control variables. In particular, we will measure control variables such as age, gender, Facebook experience, and social app usage experience. The online survey will run for 2 weeks.

Overall, the theoretical contributions of this study are threefold. First, this is the first study, to the best of our knowledge, to identify and empirically examine a comprehensive set of social application attributes in influencing usage behavior. Second, a theoretical rationale is provided for extending the privacy calculus perspective to the context of social application usage. This paper advances the IS literature by incorporating individuals’ psychological tradeoff, whereby the costs and benefits of using social applications are evaluated, in explaining specific usage behavior.