The applications of social commerce constructs

Mohana Shanmugam [a], Shiwei Sun [b,*], Asra Amidi [c], Farzad Khani [d], Fariborz Khani [e]

[a] *College of Information Technology, Department of Information Systems, University Tenaga Nasional, Selangor, Malaysia*
[b] *Department of Aviation & Supply Chain Management, Raymond J. Harbert College of Business, Auburn University, Auburn, AL 36849, USA*
[c] *Department of Information System, University Putra Malaysia (UPM), 43300 Serdang, Selangor, Malaysia*
[d] *Azad University, Tehran, Iran*
[e] *University of Science and Culture, Tehran, Iran*

ABSTRACT

Social commerce has evolved quickly in practice and gained attention in the IS discipline. However, trust has remained a vital component and is dominantly worth investigating. The purpose of this study, therefore, is to examine the roles of social commerce constructs and social support constructs (i.e., emotional support and informational support) in establishing trust on online community platforms. The study will apply the theoretical foundation of social commerce constructs proposed by Hajli. In order to provide a detailed understanding of the proposed model, a quantitative study involving a survey data gathered from online communities in Malaysia, including Facebook, Trip Advisor and LinkedIn was conducted. The data was analyzed and hypotheses were tested with structural equation modeling (SEM). Our results shed some lights on social commerce literature. The findings show that there are significant effect of social commerce constructs on social support, namely the emotional and informational support, and in turn, on trust- building.

© 2016 Elsevier Ltd. All rights reserved.

1. Introduction

The rise of social networking sites (SNSs) has led to a novel electronic commerce known as social commerce (Hajli, Mohana, Powell, & Love, 2015). This novel paradigm is mediated by social media. With the advancement of social media and Web 2.0 technologies, social commerce has developed the way how individuals communicate with their peers on social platforms. These platforms include online communities and other social networking sites. In a social commerce context, consumers aside communicating also rate other products, review others' opinions, participate in forums, share their experiences and recommend products and services (Hajli, 2015). Through this mechanism, consumers have an advantage over the influence of other consumers (Hajli, Lin, Featherman, & Wang, 2014) which supports them in their decision making, and additionally the level of trust is increased (Hajli, Lin, Featherman, & Wang, 2014).

Security and trust is an essential factor in an online platform (Featherman & Hajli, 2015; Hajli & Lin, 2014). Research has shown

that trust is indeed a challenging subject in e-commerce (Gefen, Straub, & Boudreau, 2000) as it involves individuals. Individuals are prone to execute the transaction only in conditions of existing trust. In fact, research from Hajli (2015) has affirmed that trust is a vital component in online community. In addition, research has empirically proven that social commerce constructs influence trust which results in a significant intention to buy (Hajli, 2015). However, a predominant cursor of the social perspective in social commerce climate which spurs trust has been overlooked in past research. Therefore, it is crucial to study the constructs that build trust in an online community context.

Drawn on Hajli's social commerce constructs (Hajli, 2015) a research model developed here identifies the constructs that affect trust. The author proposes a model to investigate the social commerce constructs influence on social support in explaining trust. Specifically, this research looks into the dimensions of social commerce constructs; forums, communities, ratings, reviews, recommendations and referrals that affects social support constructs which in return results in positive effect on trust in online community. Social support construct comprised of the emotional and informational constructs refers to the social interaction of people in a domain and their feelings being attended to.

This research, therefore, investigates the role of social commerce constructs and social support from the social psychology discipline in order to establish trust in online community platforms. First,

* Corresponding author.
  E-mail addresses: mohana.shanmugam@gmail.com
(M. Shanmugam), szs0100@auburn.edu (S. Sun), asra.amidi@gmail.com (A. Amidi),
efarzadkhani@yahoo.com (F. Khani), efariborzkhani@gmail.com (F. Khani).

the social commerce constructs; forums, communities, ratings, reviews, recommendations and referrals (Hajli, 2015) are hypothesized to drive the social support constructs. Second, the emotional support and informational support constructs of the social support construct is hypothesized to have a positive result on trust in an online community context. Through this extension, the present study addresses these research questions: (1) do social commerce constructs influence social support measured by emotional and informational constructs? (2) Does social support measured by emotional and informational constructs influence trust?

The rest of the paper is organized as follows. The next sections review social commerce, social support theory and trust. The resulting model acts as the theoretical foundation of this paper. The research framework and a series of testable hypotheses are presented before the methodology is provided. The data collected were then analyzed and interpreted. The implications are discussed and recommendations are provided before concluding the paper.

2. Theoretical foundation of research

2.1. Social commerce and social commerce constructs

Social commerce, a relatively new business model capitalized on social media application allows dynamic interaction between users and the platform they are engaged in. This is in contrast with the classic e-commerce. By definition, social commerce is a division of e-commerce (Stephen & Toubia, 2010) and uses social networking sites to associate social interaction and collaboration among users online to accommodate e-commerce (Kim & Park, 2013).

With the proliferation of Web 2.0 technologies, social commerce elevates online business with consumers being directly involved in the acquisition process through the sharing and dissemination of information. In other words, social commerce produces information-driven consumers where consumers create their own content, rate and review service and products and leave their comments on the Internet (Hajli, 2014a). This integration of social network elements into social commerce produces value for business through texts produced by consumers (Hajli, 2015). In the marketing discipline, social commerce is classified a vital component (Hajli, 2015) because consumer involvement is a key strategic factor (Do-Hyung, Jumin, & Ingoo, 2007).

Social commerce constructs is defined as the constructs that are derived through social commerce such as online forums, ratings, communities, reviews and recommendations (Hajli, 2015). The information produced by these social commerce platforms or communities can affect consumers' purchasing intention or behavior. More and more scholars have begun to study social commerce constructs. For instance, in a recent study by Hajli (2015), it is shown that consumers refer and recommend products or services through social commerce constructs, namely forums, communities, ratings, reviews, recommendations, and referrals. These constructs are the facet to successful social commerce transactions. Consumers are more inclined to participate in an online deal or service when these social commerce constructs are present. Research also has shown that rating, a particular construct of the social commerce adds value for members of a community (Heinonen, 2011; Keller, 2009) aside reducing or increasing ambiguity (Nambisan, 2002). Online communities, on the other hand, gather people of the same or diverse interest within a dedicated network to share interest and acquire knowledge (Chen, Xu, & Whinston, 2011).

2.2. Social support and trust in online communities

Social support is produced when communication between individuals are undertaken in a dynamic platform such as the online communities. This is evident when individuals are supportive over their peers through emotional and informational support (Hajli, 2014a, 2014b), a multi-dimension of the social support construct. Social support is defined as social resources that are available or provided by individuals of a network (Gottlieb & Bergen, 2010) which nurtures sense of warmth, care and sense of belonging (Ali, 2011) aside leading to approving consumer attitudes (Hassanein & Head, 2007).

The emotional support is affective and sentimental in nature (Hajli, Mohana, Powell, & Love, 2015). In particular, the emotional support involves listening and showing sympathy or trust (House, 1981). The informational support is practical in nature and denotes advice, referrals or teachings (Hajli, Mohana, Powell, & Love, 2015). Social support is a constructive element in online communities as it cultivates trust in an individual over a decision. This is apparent as past research has reported that social interaction and support dedicated online initiates trust (Hajli, Lin, Featherman, & Wang, 2014). It is also reasoned that these support leads to trust on the online environment (Hajli, Lin, Featherman, & Wang, 2014).

An individual is inclined to participate in an online community platform only when they feel safe because there are bound to be risks and uncertainty in an online context (Pavlou, 2003). This is apparent in the e-commerce context especially when risks are perceived to be high (Mutz, 2005). With social support mechanism in place, individuals are likely to have a high level of trust because of the positive influence from other individuals of the same network (Casaló, Flavián, & Guinalíu, 2008).

Trust is therefore seen as a deriving value obtained when social support is primed. Trust is vital in online community (Hajli, 2015) and has been the key issue for successful online businesses (Salam, Iyer, Palvia, & Singh, 2005). In point of fact, Gefen et al. (2000) Gefen, Straub, and Boudreau (2000) in their study concluded that trust is one of the most significant factors in influencing the success of an online commerce. As trust is sustained by knowledge transfer (Zhao & Lavin, 2012), social support aids individuals in gaining that required information on a particular product or service before executing a task. A recent research has also found that the emotional and informational support from the social support construct increase trust (Hajli, 2014a, 2014b). In addition, Crocker and Canevello (2008) argued that the availability of social support offer trust to individuals participating in an online community. The presence of social contact, as a result, enhances consumers' trust in this online platform.

3. Research model and hypothesis development

3.1. The effect of social commerce constructs on social support constructs

Users interact in social commerce platforms in a collaborative online environment (Curty & Zhang, 2011). Social commerce constructs are social platforms which allow the sharing of the idea of consumers to peers of the same group or network. Forums, communities, ratings, reviews, recommendations and referrals are instances of social commerce constructs (Hajli, 2014a, 2014b) which are essential to social support in online communities. In addition, experience gained from these social platforms prepares an avenue for online social support where individuals can look up to. It is argued that online communication of consumers in social commerce constructs provide social support (Crocker & Canevello, 2008).

Past research has shown that online users join social commerce platforms because of the value social support imparts to them (Ridings & Gefen, 2004). This social support includes the informational and emotional support (Hajli, 2014a; Ridings & Gefen,