



Disclosing too much? Situational factors affecting information disclosure in social commerce environment



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ABSTRACT

The buying and selling of goods and services are no longer limited to a general website or a physical store as social networks, such as Facebook or Pinterest, are heavily focusing on social commerce. Prior studies have analyzed impact of trust and culture on social commerce, design and interface aspects of it, and intention to use social commerce by general people. Our study is informed by the literature on information disclosure intention, and Communication Privacy Management theory and is motivated by the fundamental premise that intention to self-disclose in social commerce is affected by perceived ownership of information, privacy apathy, the risks and benefits of disclosure and fairness of information exchange. We analyzed data collected from 252 samples using the scenario method. The results show that shoppers' information disclosure intention is driven by the fairness of information exchange, privacy benefits and privacy apathy.

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1. Introduction

Social networks, such as Facebook, Twitter, and Pinterest, have changed the way people communicate. Social networks are also changing the nature of online shopping and purchase interaction (Teh and Ahmed, 2011). The evolution of social networks along with web and mobile technologies has provided an unprecedented opportunity for people to engage in online and social commerce activities, including online shopping and purchases (Teh and Ahmed, 2011). What once was limited to buying and selling through a website with no sharing of purchase habits or social influence from other buyers has now changed to include constant feedback, reviews and recommendations from other customers. Customers are no longer passive information takers and often influence the purchasing behavior of other shoppers (Hajli, 2012; Kim and Srivastava, 2007). Self-disclosure has become an integral part of online activities (Krasnova et al., 2009) and plays an important role in the maintenance of personal relationships (Collins and Miller, 1994; Morry, 2005) and privacy (Trepte and Reinecke, 2010). As such, the impact of self-disclosure in the social commerce environment is immense as social commerce involves the sharing of personal information.

Social commerce has no precise definition as it means different things to different people. Generally, it is defined as a subset of electronic commerce that involves using social networks to support

social interaction for the online buying and selling of products and services. Social media provides an avenue for individuals to share their purchasing story which influences others to engage in social commerce (Mangold and Faulds, 2009). For this study, social commerce is defined as the use of social media and web 2.0 technologies to assist consumers in their acquisition decision of products and services within online market places (Huang and Benyoucef, 2013). However, the opportunity to engage in social interaction as part of the purchasing process comes with certain risks. If the disclosure of personal information is a problem in eCommerce transactions, this risk is further increased in a social commerce environment where there is constant interchange and use of information between users and sellers. In a social commerce transaction, the users buy and suggest products, share preferences and purchasing habits, and most importantly let the social networks collect, store and use personal information such as physical addresses, emails, pictures, 'likes', social security numbers, and credit card numbers.

The popularity of online social networks has increased the popularity of social commerce as it now drives the purchasing decision of the majority of buyers (Kim and Srivastava, 2007). The extant use of social commerce brings attention to the increasing information privacy concerns of customers (Cortez and David, 2013) and their limited willingness and ability to protect personal information upfront (Dinev and Hart, 2006; Malhotra et al., 2004). Such perceived privacy risk, often defined as risk assumed by consumers when marketers attempt to collect, use, and distribute information (Federal Trade Commission, 1998), highly determines a user's willingness to disclose information in an online transaction (Xu et al.,

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2011). Despite increased awareness of the risks associated with the disclosure of personal information in social commerce transactions (Madden, 2012), consumers are still providing “too much personal information” during such transactions (Gross and Acquisti, 2005; Reynolds et al., 2011). Thus, the concept of information security is an oxymoron as users may have the intention to self-disclose personal details (Kirkpatrick, 2011) despite having higher level of privacy concern (Reynolds et al., 2011). A consumer's contradictory action of sharing personal information despite having a higher level of privacy concerns due to the belief that there is no such thing as privacy in the age of web 2.0 technologies, affects users' disclosure of information. This can be aptly summarized by the United States Senate majority leader Harry Reid's now famous advice regarding the National Security Agency's (NSA) PRISM program to “just calm down and understand that this isn't anything that is brand new” (Goitein, 2013). When users believe that their personal information is already with third parties or will be with third parties no matter what, they would put a lower value and price to it and may have a higher intention to disclose it online (Yoo et al., 2012) in return for some benefits. Also, when users have perceived ownership, which implies a sense of possession and entitlement (Furby, 1978) towards the information they share in social commerce transactions, it creates a sense of attachment (Feuchtl and Kamleitner, 2009) and thus, a hesitation to share such information.

Besides the cost-benefit analysis, it is equally important to understand how privacy apathy, which implies indifference towards privacy concerns due to the belief that there is no such thing as privacy in the age of web 2.0 technologies, affects users' disclosure of information. This can be aptly summarized by the United States Senate majority leader Harry Reid's now famous advice regarding the National Security Agency's (NSA) PRISM program to “just calm down and understand that this isn't anything that is brand new” (Goitein, 2013). When users believe that their personal information is already with third parties or will be with third parties no matter what, they would put a lower value and price to it and may have a higher intention to disclose it online (Yoo et al., 2012) in return for some benefits. Also, when users have perceived ownership, which implies a sense of possession and entitlement (Furby, 1978) towards the information they share in social commerce transactions, it creates a sense of attachment (Feuchtl and Kamleitner, 2009) and thus, a hesitation to share such information.

Users may also look at the fairness of information exchange in a social commerce transaction. When a social commerce transaction involves unwanted storage of personal information, sharing of irrelevant personal information, or surveillance of other internet habits, the users perceive a higher risk in such a transaction. Drawing on the Perceived Fairness in Exchange Theory (Stone, 1981), this study has proposed perceived surveillance, perceived linkage and perceived relevance as the three major dimensions affecting a user's perceived privacy risk.

The significance of this study lies in the fact that users share vast amounts of information during a social commerce transaction despite having privacy concerns. Such contradictory actions of sharing personal information despite privacy concerns can be seen from the 100,000 tweets, 684,478 Facebook posts and 3600 Instagram photos shared every minute (Bennett, 2012). Similarly, 55% of those who engage in social commerce self-disclose their information and experience (Bennett, 2012). Thus, it is important to understand factors that motivate users' intention to self-disclose personal information amid privacy risk.

In this paper, we focus on the intention of information disclosure during web-based social commerce transactions and the antecedents affecting this decision. It is important to distinguish between web-based social commerce and social commerce through mobile devices, as mobile devices create exponentially greater privacy risks and benefits (Keith et al., 2012; Awad and Krishnan, 2006), through the use of location based services, global positioning systems and applications. Investigating the web-based social commerce behavior, this paper contributes in understanding the impact of privacy apathy, perceived ownership, perceived fairness, and risks and benefits on intention to voluntarily disclose information. In the process, this paper seeks to answer the following research questions:

1. How do perceived apathy and perceived ownership affect intention to voluntarily disclose information?

2. What is the impact of the perceived fairness of information exchange on perceived privacy risk and intention to voluntarily disclose information?

2. Literature review

Social commerce is a form of commerce mediated by social media that allow individuals to purchase, sale, compare, and share products and services in online and offline marketplaces (Wang and Zhang, 2012). It has rapidly emerged as an area of interest among researchers and practitioners, suggesting the dependence on social networks and media in shaping commercial channels (Zhou et al., 2013). While the rise of social commerce in recent years has resulted in an increase in research focusing on this field, many of the studies are either qualitative or introductory in nature. Some of the recent studies in this field have focused on developing business models that help social commerce survive (Kim, 2013; Baghdadi, 2013; Zhou et al., 2013; Wang and Zhang, 2012); creating user-centered social commerce design such as comments, sharing and rating sections (Huang and Benyoucef, 2013; Sun, 2011); forming technological strategies required to optimize social commerce usage (Sun et al., 2012; Curty and Zhang, 2011) and suggesting a research framework for social commerce (Liang and Turban, 2011).

There have been some empirical studies as well that have explored users' motivation for engaging in social commerce (Ng, 2013; Jansen et al., 2011; Hsiao et al., 2010) and the impact social commerce characteristics, such as usefulness, ease of use, and social norms, have on trust and intention to purchase (Kim and Park, 2013; Hajli, 2012; Kim et al., 2012; Cho and Yang, 2012). While these qualitative and empirical studies have contributed towards the conceptual development of social commerce, there have been limited studies regarding self-disclosure behavior in a social commerce environment (Huang and Benyoucef, 2013; Chen and Sharma, 2013). Studying self-disclosure helps us to understand why users assume the risk of disclosing highly sensitive personal information despite having an opportunity to not do so (Archer and Bursleson, 1980). However, most of the studies have focused on exploring the antecedents of intention to purchase. Thus, there exist an opportunity to understand the self-disclosure behavior of users in social commerce transactions (Hajli, 2012; Krasnova et al., 2009).

Understanding the importance of self-disclosure of personal information, previous studies in Information Systems (IS) have studied information disclosure in contexts such as eCommerce and online shopping (Awad and Krishnan, 2006; Hui et al., 2007; Van Slyke et al., 2006), mobile technologies (Xu et al., 2012), social network (Bulgurcu, 2012; Krasnova et al., 2012) and general internet use (Dinev and Hart, 2006; Malhotra et al., 2004). Most recently, there have been attempts to understand people's motivation behind information disclosure in different contexts. Previous studies have found that users weigh risks and benefits in online social networks (Gross and Acquisti, 2005; Chellappa and Sin, 2005), on a general internet transactions (Hui et al., 2006), and in mobile phone activities (Keith et al., 2012) before making information disclosure decision. Also, perceived enjoyment (Rosen and Sherman, 2006), and perceived ownership of personal information (Anderson and Agarwal, 2010; Van Dyne and Pierce, 2004) have been identified as one of the major motivators for the online disclosure of information. While the concept of privacy apathy is new in the IS field, the impact of apathy on intention to disclose information has been previously examined in a qualitative study (Yoo et al., 2012).

Recent research has gone further to study how the perceived fairness of information storage and usage in social purchases

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