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journal homepage: www.elsevier.com/locate/ijhcsEffects of new-to-market e-store features on first time browsers[☆]Sally McKechnie^{a,*}, Prithwiraj Nath^{b,1}^a Nottingham University Business School, Jubilee Campus, Wollaton Road, Nottingham NG8 1BB, United Kingdom^b The Retail Institute, Leeds Beckett University, Leeds LS1 3HE, United Kingdom

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ABSTRACT

Understanding the effects of website design features on website usage is complicated when buyers differ in their willingness to process information to make decisions. However, it becomes more difficult for a new-to-market e-store with no established familiarity. While extant literature suggests the use of interactivity and personalization features offered by e-stores to reduce consumers' risk perceptions and improve trustworthiness of such stores, there is little guidance on the level of feature provision required to enhance consumer satisfaction in making product selections from a new and unfamiliar e-store. The authors explore this issue in an online experiment with 273 subjects browsing 4 websites offering identical products but with variable levels of interactivity and personalization features. Findings reveal a positive association between the level of feature provision and browser decision-making outcomes. However, interactivity features are more effective for maximizers, whereas personalization ones are more effective for satisficers.

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1. Introduction

In spite of high investment by e-stores in web-based technologies to improve website design and retain existing customers whilst attracting new ones (Wang et al., 2011), a recent industry report suggests that the browser to buyer conversion rate for retail/e-commerce sites is only 3% (Marketing Sherpa, 2012). In order to understand the reasons behind such a low rate, prior research has focused on issues like privacy, security, order fulfilment capabilities, trust and seller's assistive intent to help browsers search for the information they need and fulfil the task of choosing and ordering a product meeting their requirements (Bart et al., 2005; Cho, 2006; Gupta et al., 2009). Existing research suggests that e-stores make use of two features that help browsers to seek information and perform such a task: interactivity features which browsers can use to communicate with the seller and engage in information search, and personalization features which browsers can use to tailor the information and content of the website according to their requirements (Ansari and Mela, 2003; Liu and Shrum, 2009; Song and Zinkhan, 2008). However, understanding the effects of such features is more complicated, because browsers vary in terms of their needs, ability and motivation to use

such features and process information from them (Ganesh et al., 2010; Wolfenbarger and Gilly, 2001). A key challenge for managers of internet-based retail start-ups is making their e-store a destination for customers, particularly when it is unknown, offers a limited product range and has no established brand image. With fewer resources to invest in website design than established businesses, it becomes even more crucial for them to understand how they can use website design features to increase e-store attractiveness to first time visitors and enhance website stickiness so that they can establish a relationship with prospective buyers (Wang et al., 2011; Hausman and Siekpe, 2009; Grewal and Levy, 2009; Rosen, 2001).

As a result of increased competition online, users can search for information from a wider choice of suppliers with low switching costs. Since they are more likely to avoid websites that are perceived to be confusing, too slow or not suited to their needs (Chevalier and Kicka, 2006), the users' first impressions of a website are of the utmost importance (Lindgaard et al., 2006) for they will either entice them to explore the website further (Tuch et al., 2012) or drive them away from it (Geissler et al., 2006).

According to Ariely (2000) the information which marketers present to consumers should be suitable for their specific needs and facilitated through the provision of interactive information systems to enable them to control how it flows when they navigate a website to search for information. Liu and Shrum (2009) point out that while features of the website interface design may offer better control and enhanced information processing for some users, they may alternatively make information processing and

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task completion more difficult for others and result in information overload. Also, individuals vary in terms of their buying decision-making strategies by either being maximizers who seek the best option or satisficers who choose an alternative that is good enough (Schwartz et al., 2002). Establishing the provision of an optimal balance of interactivity and personalization features to assist users to easily and quickly find out what they want from a website can encourage them to stay longer on the site (Yeh and Li, 2014).

Within the consumer behaviour literature Engel et al. (1978) dominant model of the consumer buying decision-making process is depicted as consisting of five steps: problem recognition, information search, evaluation of alternatives, purchase selection and post-purchase behaviour. A consumer may exit the process at any of these steps. Given that a new-to-market e-store needs to appeal to as many first time users as possible, the aim of our study is to better understand how interactivity and personalization features can appeal to users, irrespective of whether they are maximizers or satisficers, and assist them in making purchase selections from its product range. Our research questions are: What are the effects of e-store interactivity and personalization features for a new-to-market e-store on first time browser perceptions of trust, risk, decision satisfaction and attractiveness of alternatives? How are the effects of these features on such perceptions influenced by whether the consumer is a maximizer or a satisficer? We use an experimental study where customers experience e-stores with varying levels of interactivity and personalization features and pursue a goal-directed task of choosing a high involvement product to purchase. The remainder of the paper is organized as follows. In the next section, we review extant literature and develop our hypotheses. We then describe the research methodology and present our analysis of results. Finally, we discuss the results, their implications and potential limitations of the study.

2. Theoretical background

2.1. Interactivity and personalization e-store features

A website requires a significant level of investment and effort to support the buying decision-making process (Silverman et al., 2001; O'Keefe and McEachern, 1998). In this study we are solely concerned with how interactivity and personalization features available to users can facilitate the pre-purchase information search and evaluation stages of this process for first time browsers. Both types of tool attract the attention of researchers from marketing, human-computer interaction and information systems disciplines (Chung and Zhao, 2004; Stewart and Pavlou, 2002).

A website's level of interactivity is central to converting visitors to customers (Berthon et al., 1996) and is positively related to its attractiveness (Ghose and Dou, 1998). Interactivity enables sellers to create human-computer interfaces with highly interactive features (Häubl and Trifts, 2000), which empower users engaged in information search to be able to decide upon what information to access, for how long and in what order (Wu and Lin, 2006). Two broad approaches to interactivity co-exist: the technical and the user perspectives. The former addresses objective (or actual) interactivity and considers the structural aspect that is under the company's control (Steuer, 1992). It is operationalized through the presence or absence of interactive features and the level to which these features are employed (Häubl and Trifts, 2000; Hoffman and Novak, 1996; Steuer, 1992). In contrast, the user perspective concentrates on subjective (or perceived) interactivity felt by the website user outside the company's control (Song and Zinkhan, 2008; Liu and Shrum, 2002). Perceived interactivity is defined as "the degree to which two or more communication parties can act on each other, on the communication medium, and on the messages and the degree to which such influences are synchronized" (Liu and Shrum, 2002 p. 54). Nevertheless the

relationship between objective and subjective interactivity remains unclear. While some studies claim that increasing the number of interactive website features will determine perceptions of a high level of interactivity (Sicilia et al., 2005; Macías, 2003), other work theoretically challenges the existence of a positive linear relationship (Liu and Shrum, 2002; McMillan and Hwang, 2002) and empirically finds it to be more complex (Song and Zinkhan, 2008; Voorveld et al., 2011).

Personalization, on the other hand, is defined by Montgomery and Smith (2009) as "an adaptation of the marketing mix to an individual customer based upon the marketer's information about the customer" (p. 131). In an online context this translates into offering tailored content to users to meet their requirements (Ansari and Mela, 2003) with the main motivation of improving the browsing and shopping experience (Adomavicius and Tuzhilin, 2005) and enhancing website usage (Greer and Murtaza, 2003). There are three types of personalization attributes: adaptive personalization which gathers user information by allowing users to choose from different options (Vesonen, 2007); collaborative filtering features that use algorithms to recommend customer recommendations based on their preferences; and content-based filtering which determines user preferences based on content-based prediction (Greer and Murtaza, 2003). In our study we only focus on the influence of adaptive personalization.

2.2. Effects of e-store features on decision making

First of all, many researchers have observed the pivotal role of trust in online decision-making and purchase intentions (see McKnight et al., 2002; Corritore et al., 2003; Jarvenpaa et al., 2000). Online trust is defined as "an attitude of confident expectation in an online situation or risk that one's vulnerabilities will not be exploited" (Corritore et al., 2003, p. 740). A new-to-market e-store relies on its website to convey its trustworthiness to first time visitors, who by virtue of low switching costs can easily leave the site and visit other e-stores (Koufaris and Hampton-Sosa, 2004). Interactive features which are available to users can assist online shoppers during the information search and evaluation stages of the buying decision-making process. For example, recommendation agents help to initially screen the alternatives available from an online store and comparison matrices enable detailed evaluations to be made among selections being considered (Häubl and Trifts, 2000). For Gupta et al. (2009) these types of features influence the trustworthiness of new-to-market e-retailers. They found that leveraging task-related website functionalities (in the form of interactive information management and comprehension features) to enable prospective buyers to personalize website content and facilitate choice decisions will increase initial trust formation for complex and information-rich products. In a similar vein, McKnight et al. (2002) found a positive association between perceived site quality and trusting beliefs in an online supplier at the initial phase of trust development. Thus, the use of such features almost certainly influences trust and confidence amongst users in potential relationships with a new-to-market e-retailer. Nevertheless, neither study offers guidance about the level of tool provision required.

Secondly, Song and Zinkhan (2008) claim that using website features may also positively influence satisfaction. For a user perceived interactivity brings about cognitively involving experiences through active control and two-way communication (Liu and Shrum, 2002). Since the ability to be in control of one's own communication experiences can result in higher self-efficacy beliefs (Gist and Mitchell, 1992), Liu and Shrum (2002) proposed a positive relationship between each interactivity dimension and user satisfaction. Indeed Teo et al. (2003) argue that satisfaction captures a website's affective appeal. Meanwhile corroborating evidence from Ballantine (2005) maintains that perceptions of the level of not only interactivity but also of the amount of product information provision positively influences

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