Mobile social commerce: The booster for brand loyalty?

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ABSTRACT

In view of the deficiencies in current literature, this study seeks to examine if mobile social commerce continuance usage influences brand loyalty among customers, and assessed the inhibitor role of privacy concern in mobile social commerce usage intention. Privacy concern was measured by using concern for social media information privacy (CFSMIP). Therefore, this study proposes and empirically validated a model that combines CFSMIP, brand loyalty, and Expectation Confirmation Model, in the Asian context. The results suggested that users' CFSMIP does not inhibit them from the continuous usage of mobile social commerce, and influences their perceived usefulness on mobile social commerce positively. Moreover, all the paths in the baseline model of Expectation Confirmation Model have been reconfirmed in this study. Besides, users' continuance usage and satisfaction on mobile social commerce are proven to be boosters for brand loyalty. Relevant managerial implications are then discussed.

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1. Introduction

Social commerce has recently gained popularity among businesses and transformed the traditional manners of conducting electronic commerce (e-commerce) and marketing (Turban, Bolloju, & Liang, 2010). The rising of social media is the cornerstone in conducting social commerce (Gamboa & Gonçalves, 2014). Over the last decade, social media has redefined the living styles of individuals and business activities of organizations (Ngai, Moon, Lam, Chin, & Tao, 2015). Some social media, such as Facebook and Twitter, have been transformed into mobile application (Lin & Lu, 2015) in this mobile digital age. It is also learnt that 79% of the Fortune 100 Best Companies use social media and 54% have a Facebook fan page (Gamboa & Gonçalves, 2014). Businesses, especially small and medium enterprises, opined that Facebook is a platform for interaction with their customers, as well as a marketing tool (Chen, Papazafeiropoulou, Chen, Duan, & Liu, 2014). As a matter of fact, both mobile commerce and e-commerce have been fuelled by social networking sites, such as Facebook, Twitter, and LinkedIn (Lin & Lu, 2015). Social media allows businesses to interact with millions of customers at the same time, and businesses need not to invest a fortune for using social media (Gamboa & Gonçalves, 2014).

Adding to the above, even brick and mortar firms have increased the use of social media in brand communication, product promotion, and customer relationship management (Zhang, Lu, Gupta, & Zhao, 2014). Corporate giants, for instance, Dell and Starbucks have recognized social media as a sales booster (Turban et al., 2010). As noticed by Chua and Banerjee (2013), both Dell and Starbucks have embraced social media in their operations. The international coffee house chain, Starbucks has employed a number of social media services. Other than the well-known Facebook, Twitter, Foursquare, Starbucks is also hosting a discussion forum called MyStarbucksIdea, which serves as a corporate discussion forum that allows customers to discuss organization related issues.

Despite that social commerce is a hot topic, it is currently a sparsely researched area (Zhang et al., 2014), not to mention social commerce under mobile environment. Besides, it is worth to study consumer behaviour in the area of mobile social media, in addition to the effects brought by social media to businesses in Asian context (Lee & Phang, 2015). Moreover, "are customers really empowered by social media?" Turban et al. (2010, p.39) raised this interesting issue, which signifies that further investigation needs to be done. Lee and Phang (2015) further emphasized the need to access the inhibitor role played by privacy concern on social media use among Asians.

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Recently, Casaló, Cisneros, Flavián, and Guinalíu (2009) discovered that a customer's participation in online social network could indirectly establish customer loyalty. This embarks the motive to study if mobile social commerce continuance usage could influence brand loyalty among customers. To shed light on the current unilluminated parts of literature, this study conceptualizes a model that based upon the Expectation Confirmation Model (ECM) by Bhattacherjee (2001) to comprehend mobile social commerce continuance usage under the Asian context, and has a twofold objective. The proposed framework seeks to examine if consumer brand loyalty is influenced by mobile social commerce continuance usage and post-usage satisfaction, so to understand the impacts delivered by mobile social media to businesses. Besides, the conceptual framework tries to integrate privacy concern into ECM, in order to apprehend its effects on mobile social commerce continuance usage. In view of the current literature, these integrations are considered as pioneer acts in the field.

2. Literature review

2.1. Mobile social media

Social media, has been referred by Chua and Banerjee (2013, p.239) as "a collection of online services that supports social interactions among users and allows them to co-create, find, share and evaluate the online information repository". Rauniar, Rawski, Yang, and Johnson (2014) classified social media into few categories, namely blogs (LiveJournal), communities (YouTube), collaborative projects (Wikipedia), social networking sites (Facebook), virtual game worlds (World of Warcraft), and virtual social worlds (Second Life). In addition, Kaplan and Haenlein (2010) opined that social media, which is built on the foundation of Web 2.0 technology, allows user generated content to be created and exchanged.

Web 2.0 allows the expansion of knowledge (Gamboa & Gonçalves, 2014), as the contents in Web 2.0 platforms (e.g. wikis and blogs) are modified by participating users on a continuous basis (Kaplan & Haenlein, 2010).

Social media is indeed a game changer that evolves the communication channel between businesses and stakeholders, such as consumers, suppliers, and employees (Rauniar et al., 2014). As Gamboa and Gonçalves (2014) elaborated, social media is a space where customers could exchange opinions with others and speak with the brand. Apart from offering multi-way communication, social media allows communications to be conducted in lower costs and higher efficiency (Chua & Banerjee, 2013). Other than serving for communication purpose, social media promises new business models to organizations as well (Ngai et al., 2015), as it has transformed businesses in terms of marketing, operations, and management (Rauniar et al., 2014). The example for transformation can be seen in Pizza Hut. The pizza maker has an order form on its Facebook page for users to place pizza orders (Chen et al., 2014).

He (2013) indicated that using mobile devices (m-devices) to access social media constitutes mobile social media usage. As m-devices are prevalent in this digital age (Humphreys, 2013), Kaplan and Haenlein (2010), who have long noticed the massive benefits that could be delivered by mobile social media, advised businesses to seize these opportunities. Therefore, businesses can consider to embrace mobile social media into their operation at this moment, if they perceive mobile social media to be beneficial and they have sufficient resources to invest in it.

2.2. Mobile social commerce

Zhang et al. (2014, p.1017) referred social commerce as "the use of social media for commercial transactions and activities that are driven primarily by social interactions and user contributions", while Turban et al. (2010) viewed social commerce as a sub-category of e-commerce. In addition to social media platforms (Facebook, Google+, and Twitter), social commerce is accomplished through diverse toolsets, such as ratings and reviews, recommendations, and forums (Kucukcay & Benyoucef, 2014). All these toolsets enable multi-way communication. Several e-commerce dominant players, such as Amazon and eBay, are practicing social commerce by embedding social media in their websites (Chua, 2011; Levy, 2009).

Kucukcay and Benyoucef (2014, p.2) have newly coined the term "mobile social commerce" and defined it as "the set of e-commerce activities performed in a mobile environment and enhanced by user-generated content". As far as this study is concerned, this definition of mobile social commerce is adopted. As proposed by Zwass (2003, p.8), e-commerce has been described as "sharing business information, maintaining business relationships, and conducting business transactions by means of telecommunications networks". From this viewpoint, e-commerce seems to contain a wider range of business activities, such as marketing, rather than just buying and selling online. The same goes for mobile social commerce, businesses are not only using it for transaction purposes, but for other objectives, such as marketing and promotion. This can be seen in the case of Pinterest, a social media platform for businesses to deliver promotions. Businesses are embracing Pinterest to connect with their community, as it was learnt that 59% of Pinterest users purchased the items they discovered on Pinterest (Wilkinson, 2013).

2.3. Expectation Confirmation Model

ECM (Bhattacherjee, 2001) in Fig. 1 was founded on the Expectation Confirmation Theory (ECT) by Oliver (1980), and named it as information systems continuance model. ECM was then labelled as ICT continuance model by some researchers (e.g: Thong, Hong, & Tam, 2006).

As noticed by Bhattacherjee (2001), prior to the development of ECM, researchers viewed technology continuance as the consequence of technology acceptance behaviour. In association with that, researchers tried to explain technology continuance by using some acceptance constructs from technology acceptance models. Furthermore, researchers failed to access users' post acceptance psychological motivation, which has potential effects on the technology continuance decision. In view of these deficiencies, Bhattacherjee (2001) proposed ECM as an information systems continuance model. Ever since its emergence, ECM has been employed and extended by researchers in explaining continuance behaviour of various mobile technologies, such as mobile commerce (Chong, 2013); mobile data service (Boakye, 2015; Kim, 2010); and mobile payment (Zhou, 2013). Considering these applications of ECM, this study employs it to explain continuance usage of mobile social commerce.

2.4. Privacy concern

Privacy concern "reflects a user's attitude towards personal information" (Zhou, 2011, p.213). Smith, Milberg, and Burke (1996) noticed that there was a need to create some unified dimensions to measure information privacy concern, as previously various dimensions were used and these dimensions were different from one study to another. Consequently, Smith et al. (1996) have developed and empirically tested four dimensions for measuring concern for information privacy (CFIP). These dimensions are collection, unauthorized secondary use (both internal and external), improper