# ARTICLE IN PRESS

Journal of Business Research xxx (xxxx) xxx-xxx

ELSEVIER

Contents lists available at ScienceDirect

### Journal of Business Research

journal homepage: www.elsevier.com/locate/jbusres



# An empirical investigation of the factors motivating Japanese repeat consumers to review their shopping experiences

Emi Moriuchi<sup>a,\*</sup>, Ikuo Takahashi<sup>b</sup>

- <sup>a</sup> Rochester Institute of Technology, Saunders College of Business, 107 Lomb Memorial Drive, Bldg12, Rochester, NY 14623, United States
- <sup>b</sup> Keio University, Faculty of Business and Commerce, 2-15-45 Mita, Minato-ku, Tokyo 108-8345, Japan

#### ARTICLE INFO

# Keywords: Japanese consumer Online reviews Search attributes Online supermarket Repeat online consumers

#### ABSTRACT

Consumers purchase items (e.g., food) online due to today's rapidly changing markets and to improvements in online and mobile technology. Online supermarkets have been gaining popularity among Japanese consumers. As the population experiences a hectic lifestyle and is aging, many Japanese consumers are seeing the benefits of shopping on an online supermarket website. However, as with any e-commerce activity, reviews are critical for the success of these e-vendors. Despite the importance of reviews, little is known about what motivates repeat online supermarket consumers to review their purchasing experiences. This paper examines consumers' willingness to review and the relationship between consumers' search attributes such as price, promotion and service, e-satisfaction and trust on their online supermarket purchase experiences. The research findings support the results of earlier studies that search attributes are determinants of consumers' e-satisfaction. In addition, e-satisfaction affects e-trust. Interestingly, e-trust has a negative effect on the willingness to review.

#### 1. Introduction

Japan's consumer market is constantly driven by societal changes, and this has brought about significant shifts in cultural identity. Japanese consumers are seeing an increase in Western influence as a result of globalization. Japan is often described as a collective nation of ethnic homogeneity that it is culturally unique, which factors toward the building of a successful modern nation (Tsutsui, 2009). Japan's investment in Asia and its dependence on international trade and on a large number of foreign workers have forced the nation to recognize that its survival is dependent on understanding the importance of ethnic diversity.

The consumer market in Japan is constantly driven by new product demands and by images to promote and sell. Despite efforts made to promote and protect Japanese cultural identity, Japanese consumers are inevitably exposed to products and cultural influences from other countries. While Japanese marketers accommodate their culturally diverse consumer market, Western exposure has influenced Japanese marketers to be challenged in their development and creation of products. Furthermore, with the presence of the Internet, news and trends on the latest products reach consumers more quickly. As asserted by Atchariyachanvanich et al. (2007) "electronic commerce is at its core of expansion, and its scale of growth rate varies among countries" (p.47).

Japan is a country with a strongly collectivistic culture that is

embedded in everything it does, and this is one of the reasons why Japan is known to have a complex distribution system (Itoh, 1991, 2000). Japan's e-commerce endeavors are beginning to override its multichannel distribution systems, which many foreign companies view as essential to establishing businesses in Japan. The Japanese consumer market has not been widely explored since the latest long-term recession hit and since the country's two most recent earthquake disasters. Although the Japanese economy has begun to regenerate, a major challenge facing the Japanese economy is its long-term demographic shift. This has altered opportunities for and threats to marketers in determining the consumption patterns of Japanese consumers.

To capitalize on a growing market such as Japan's, it is important to first recognize the lifestyles of average Japanese consumers. According to Takahashi and Fluch (2009), Japan is an Internet-driven society and Japanese consumers "use diverse Internet retail shops and Internet auction sites, creating a variety of purchasing channels available to them" (p. 158). Salsberg (2010) reported that "online shopping is central to both economizing and nesting trends" (para. 8). With such heavy reliance on the Internet, many retail outlets are inevitably forced to adapt to this emerging trend to remain competitive in the market. Companies and retail stores in particular are finding ways to satisfy their customers by paying attention to feedback and complaints and especially when various social media platforms allow consumers to post their comments instantly. In this paper we examine some of the

E-mail addresses: embbu@rit.edu (E. Moriuchi), takahashi@fbc.keio.ac.jp (I. Takahashi).

http://dx.doi.org/10.1016/j.jbusres.2017.07.024 Received 1 April 2015; Accepted 1 July 2017 0148-2963/ © 2017 Elsevier Inc. All rights reserved.

<sup>\*</sup> Corresponding author.

E. Moriuchi, I. Takahashi

different factors that motivate repeat Japanese online consumers to shop at online supermarkets and how these factors affect their intentions to post online reviews on the products and services that they have received from online stores.

#### 2. Literature review

#### 2.1. Japanese online shoppers

Japan is the third largest economy in the world after the U.S. and China (BBC News, 2015). Japan has played a major role in the international community and has served as a major aid donor and as a source of global capital and credit. As Japan continues to recover from its 2011 tsunami, it has become evident that Japanese consumers are playing an active role in shopping both at brick-and-mortar stores and online. Furthermore, with the introduction of *Abenomics*, increases in sales tax have encouraged price-sensitive customers to shop online. Another area witnessing an increase in online shopping rates is the online food and grocery product industry.

#### 2.2. E-commerce and eWOM

Consumers can use a variety of different retail channels (e.g., brick-and-mortar stores, mail orders, TV shopping channels and the Internet). Each retail channel is characterized by a different combination of multiple attributes that has an impact on a consumer's choice of a retail channel (Childers, Carr, Peck, & Carson, 2002; Ohanian, Tashchian, & Beard, 1992). With the expansion of e-commerce, social commerce and third party review sites, many consumers are sharing their experiences through these platforms via word of mouth (hereafter WOM).

WOM communication can occur at different stages of a product's life cycle depending on the customer's experience with a product and the life stage of a product. A product life cycle refers to the sequence of stages that a product undergoes from its introduction to its decline (Day, 1981). However, not every product undergoes the same cycle or each stage of the cycle. For instance, consumers classified as innovators may seek more information at early stages of a product's life cycle. It is however difficult for marketing managers to actually recognize when and how they should change their means of providing information, as stages are not fully discrete. Should marketers thus present all related information at once? This is not advisable because the volume of information available maybe too large to consume, causing consumers to abandon a purchase.

Word of mouth (WOM) communication serves an effective way of overcoming such challenges (Mahajan, Muller, & Kerin, 1984), as WOM communication involves the delivery of product information from a user's perspective at each stage (Park & Kim, 2009). Thus, WOM communication is regarded as an effective form of communication that can deliver the right information to different consumer segments. However, many traditional marketers may not have the knowledge needed to apply WOM communication to their products, as the presence of WOM communication can at times be untraceable (Park & Kim, 2009). With the emergence of the Internet, WOM communication has evolved to become electronic WOM communication (hereafter eWOM), which is measurable due to its digital footprint on websites. Marketers can apply their marketing strategies according to eWOM communication that they receive from their consumers.

The retrieval of eWOM information requires that consumers are willing to spend time reviewing and sharing their shopping experiences online. Cantallops and Salvi (2014) reasoned that people contribute to online reviews because they are self-directed, want to help other consumers for social benefits and consumer empowerment and want to help companies. Research has shown that online reviews (e.g., eWOM) influence product sales (Decker & Trusov, 2011; Zhu & Zhang, 2010), customer value and loyalty (Chevalier & Mayzlin, 2006; Gruen,

Osmonbekov, & Czaplewski, 2006; Liu, 2006). While online reviews are considered important to varying degrees, most consumers who write reviews are often first time purchasers of a particular item. Thus, there is still a lack of understanding of what factors encourage repeat customers to review their products after making second and subsequent purchases.

According to Peterson, Balasubramanian, and Bronnenberg's (1997) framework for consumer decision sequences, performance and competition for shopping media are mediated by three factors: 1) a consumer's choice of communication, transaction, and distribution channels; 2) product and service offerings marketed and 3) the sequence of decisions that follows from a purchasing intention. With the theoretical underpinning of this theory and accordance with the Web Trust model, this study seeks to investigate consumers' search attributes. As the consumers examined in this study have chosen online channels as a shopping mode, we focus on search attributes related to intentions to review and on degrees of online shopping satisfaction and trust.

#### 3. Research framework

#### 3.1. Search attributes and online review intentions

When searching online for information in an external environment such as an online store, consumers often focus on relevant attributes that are easily accessible and distinguishable (Dick, Chakravarti, & Biehal, 1990). However, when the costs of acquiring relevant information are higher than the expected benefits, Ratchford (1982) asserts that consumers rely on their prior experiences for such information. In online media channels, it is not unusual for certain attribute information necessary for decision making is not readily accessible (Degeratu, Rangaswamy, & Wu, 2000). Depending on whether a product has a large number of sensory attributes (e.g., edible food) or is an industrial product that is non-sensory, the availability of information will vary. In other words, when there is much information on sensory and non-sensory attitudes and when the price is high, consumers find attributes to play a larger role in their evaluations (Degeratu et al., 2000). These evaluations are often observed in the form of online reviews on a company's website, on a social media networking site (e.g., Facebook) or on a third-party website (e.g., Yelp).

Prior studies (Moriuchi, 2016; Park & Kim, 2009; Zhu & Zhang, 2010) have touched on the topic of word of mouth online reviews. Online reviews shape consumer behavior. Previous studies argue that consumers' intentions to shop online are influenced by several variables, including levels of convenience, prices and product types (Burke, 1997; Chiang & Dholakia, 2003; Peterson et al., 1997). Although these studies examine intentions to shop online and not specifically intentions to review online, it is arguable that as intentions are linked to control beliefs, <sup>1</sup> which are applicable to consumers' review intentions. In addition, the willingness to review is influenced by initial use and/or purchase experiences. From these arguments, we develop the following hypotheses:

- **H1.** Service and fulfillment have a positive impact on the intent to review.
- **H2.** Prices have a positive impact on the intent to review.
- **H3.** Promotions have a positive impact on the intent to review.

#### 3.2. Services, fulfillment levels and prices as antecedents for e-satisfaction

Satisfaction, according to Oliver (1997), is the overall psychological state that results when a consumer's prior feelings about his or her

<sup>&</sup>lt;sup>1</sup> Control beliefs refer to beliefs on the presence of factors that may facilitate or impede the performance of behavior.

## Download English Version:

# https://daneshyari.com/en/article/7425585

Download Persian Version:

https://daneshyari.com/article/7425585

<u>Daneshyari.com</u>