UNDERSTANDING THE EFFECTS OF EWOM ON COSMETIC CONSUMER BEHAVIORAL INTENTION

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ABSTRACT

This study adopts both the Information Adoption Model and the Information System Continuance Model to investigate information influencing users' intention to visit cosmetic websites and their purchase intentions. Data were gained from 222 users who have prior experiences browsing cosmetic information or purchasing cosmetics from websites. The results show that two models can provide a full understanding of how receivers handle eWOM that affects users' intentions to continually visit cosmetic websites and their purchase intentions.

Keywords: IS Continuance Model, Information Adoption Theory, Electronic word of mouth (eWOM)

1. INTRODUCTION

With the flourishing development of E-commerce and the concept of Web 2.0, E-commerce is gradually progressing toward social networking services. This change has brought about the successive emergence of vast and various information-share and service exchange platforms such as Blog, Facebook, virtually, and social networking¹. The prosperity of this evolution has consequently changed how consumers share and acquire information. Due to the increasingly diversified developments in the beauty-care product industry, businesses are using their websites to link up with online communities, allowing consumers to post their product-use experiences and comments in order to save time and cost searching for users². By using a community-style website service, consumers can improve their understanding of products and services and in turn make a purchase decision³. Therefore, market share and revenue come not only from consumers' initial purchases but also from their continual patronage⁴.

The Information System Continuance Model can effectively explain how users assess their product-use experiences and how such assessments influence their continuance behaviors⁴. If a post-psychological motive (i.e. satisfaction and confirmation) is adopted into this explanation, the intention for continuance use is understood as a decision formed according to the level of satisfaction gained from prior experiences and subsequent recognition of information usefulness. Cosmetic websites are a type of online community that provides consumers with opportunities to express thoughts and opinions of products online through community links². Because cosmetic websites have similar characterizing services as online communities, the Information System Continuance Model can be used to explain consumers' adoptions and behavioral intentions.

According to Sussman and Siegal⁵ and Cheung et al.⁶, the Information Adoption Model can effectively explain how users process information on Computer-Mediated Communication (CMC) and give a full understanding of how receivers handle electronic word of mouth (eWOM). Because cosmetic websites are a type of CMC, the Information Adoption Model is applicable in explaining how consumers are influenced by the comments posted by other online community users and their behaviors after adopting such information. This study adopts both the Information System Continuance Model and the Information Adoption Model to investigate the factors influencing users' intentions to continually visit cosmetic websites and their purchase intentions.

2. CONCEPTUAL FRAMEWORK AND RESEARCH HYPOTHESES

Figure 1. Research framework and hypotheses

According to the Information Adoption Model established by Sussman and Siegal⁵, when people are working in a CMC environment, both argument quality and source credibility play vital roles in leading people into believing and adopting information provided by online communities. Chea and Luo⁷ applied the Information System Continuance Model to explain the influence of users' cognition and affection towards their behavior of continuance use. Jin et al.⁸ investigated users' motives on continuance use of Bulletin board system (BBS) by integrating the Information Adoption Model, and the Information System Continuance Model. Therefore, this study proposes the following hypotheses:

- H1: Argument quality has a positive impact on information usefulness.
- H2: Source credibility has a positive impact on information usefulness.
- H3: Confirmation has a positive impact on a user's perceived usefulness.
- H4: Confirmation has a positive impact on a user's satisfaction.
- H5: Perceived usefulness has a positive impact on satisfaction.
- H6: Perceived usefulness has a positive impact on intention to continuance visit.
- H7: Satisfaction has a positive impact on intention to continuance visit.
- H8: Satisfaction has a positive impact on purchase intention.

3. DATA ANALYSIS

The participants in this study are users who have prior experiences using and making purchases on cosmetic websites. Questionnaires were distributed and collected over the Internet; a total of 385 returns were

received, including 160 invalid copies and 222 valid copies. The percentage of male users is 14.9% and 85.1% for females;. Most users (93.7%) are between the ages of 19 and 25 (55.4%) or 26 and 36 (38.3%). With respect to their level of education, those with bachelor degrees comprised 69.4% of the sample, followed by those with masters degrees or above (24.3%).

3.1 Measurement Model Estimation

This study adopted partial least squares (PLS) for data analysis. Composite reliability of each variable was more than 0.8 (0.878 ~ 0.949), indicating that the questionnaire was reliable. All factor loading coefficients were between 0.751 and 0.914, indicating that the measurement scales have a high convergent validity. In discriminant validity analysis, each of the square roots of AVE was larger than any other correlation coefficients, indicating that each dimension has good discriminancy.

Table 1. Reliability and Validity

	C. R.	AVE	AQ	SC	IU	Con	SAT	CI	PI
AQ	0.943	0.649	0.8056						
SC	0.878	0.642	0.550	0.8012					
IU	0.949	0.758	0.717	0.513	0.8706				
Con	0.923	0.750	0.522	0.430	0.550	0.866			
SAT	0.940	0.798	0.763	0.573	0.775	0.571	0.8933		
CI	0.933	0.737	0.637	0.519	0.721	0.466	0.746	0.8585	
PI	0.925	0.711	0.637	0.537	0.741	0.496	0.696	0.677	0.8432

Notes: CR = Composite Reliability; AVE = Average Variance Extracted; AQ = Argument Quality; SC = Source Credibility; IU = Information Usefulness; Con = Confirmation; SAT = Satisfaction; CI = Continuance Intention; PI = Purchase Intention.

3.2 Structural Model: Hypothesis Testing

PLS was used to test the model, and the results are shown in Table 2. The model fit for the measurement model is good. All hypotheses are supported.

Table 2. Hypotheses testing results

Path	Estimate	t value	Standardized conclusion
H1: Argument quality→ Information usefulness	0.534	9.194(***)	supported
H2 Source credibility→ Information usefulness	0.126	2.042(**)	supported
H3: Confirmation→ Information usefulness	0.224	4.272(***)	supported
H4: Confirmation→ Satisfaction	0.189	3.716(***)	supported
H5: Information usefulness→ Satisfaction	0.589	12.212(***)	supported
H6: Information usefulness→ Continuance intention	0.359	4.955(***)	supported
H7: Satisfaction → Continuance intention	0.468	6.721(***)	supported
H8: Satisfaction → Purchase intention	0.696	20.475(***)	supported

Notes: * $P < 0.05$, ** $P < 0.01$, *** $P < 0.001$.

4. CONCLUSIONS AND IMPLICATIONS

The objective of this study is to verify that information posted and shared on cosmetic websites is an important referential source for consumers making a purchase decision. Therefore, this study developed and empirically tested a model of users' intentions to continuance visit and purchase intentions that incorporated both the Information System Continuance Model and the Information Adoption Model. The findings show that information usefulness and satisfaction exert a significant influence on continuance intention. Previous studies focused on the idea that high levels of customer satisfaction could increase the effect of continuance intentions (e.g. Bhattacharjee⁴). However, they neglected the effect of information gained from websites. This research has demonstrated that information usefulness could be used as a driver to encourage customers to continually visit cosmetic websites. These websites should continuously update information; the greater the help of the information provided (e.g., comments are valuable and informative in helping consumers' understanding of the products), the more positive users are towards their appraisals of the products posted on the websites. Consequently, both the Information System Continuance Model and the Information Adoption Model can provide a full understanding of how receivers handle eWOM.

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