

CONSUMERS' USE OF CONSUMER-GENERATED-MEDIA WHILE SHOPPING: A CONCEPTUAL OUTLOOK USING TECHNOLOGY ACCEPTANCE MODEL3 AND HOFSTEDE'S CULTURAL DIMENSIONS

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ABSTRACT

Retailers have a lot to gain by utilizing and harnessing the power of social media to enhance their overall marketing strategy. Social media provide retailers an opportunity to learn about their consumers' needs and then respond proactively; these media offer creative and effective ways for retailers to obtain insights not previously available. Consumers are increasingly turning to computer-mediated communication, i.e., —consumer-generated-media (CGM) in order to get information on which to base their decisions. Consumers now have the means to communicate their opinions about products and companies to other consumers like themselves and to share information. This conceptual paper puts forth a research model using Technology Acceptance Model3 (TAM3) and Hofstede's Cultural Dimensions to examine the influence of CGM on consumers' shopping behavior.

Keywords: Consumer-Generated-Media, Hofstede's Cultural Dimensions, Shopping, TAM3

1. INTRODUCTION

The popularity of Web 2.0 has helped spur the growth and popularity of social media and has created a new world of collaboration and communication. The Internet has become one of the most important communication channels in the world, and growing Internet usage is motivating some changes in the consumer-purchasing process¹.

Consumers are increasingly turning to computer-mediated communication in order to get information on which to base their decisions. They are using several online formats to share ideas about a given product or brand and to contact other consumers, who are seen as more objective information sources². These consumer-generated-media (CGM) refer to online content that is produced by people who were hitherto assumed to only be users or consumers of online content³. CGM is defined as any positive or negative statement about a product made by potential, actual, or former customers, which is available to a multitude of people and institutions via the Internet⁴.

The impact of virtual communities is increasingly pervasive, with activities ranging from the economic (e.g., shopping) and marketing (e.g., brand building) to the social (e.g., MySpace) and educational (e.g., distance education)⁵. Today, the Internet makes it possible for consumers to share experiences and opinions about a product via consumer-generated activity⁶. The otherwise fleeting word-of-mouth information targeted to one or a few friends has been transformed into enduring messages visible to the entire world⁷. There is a greater sense of urgency for retailers to integrate this new, emerging medium into their marketing strategy, because the absence of social media in their marketing mix means retailers are bound to lose out on valuable consumer feedback.

Consumers' usage of CGM for information, brand recognition, and opinions about brand and/or retailers can be influenced by their cultural background. Culture is defined as patterns of thinking, feeling, and acting that underpin the collective programming of the mind and which distinguishes the members of one group or category of people from another⁸. Given that culture may impact the way people behave and interact, it is imperative to examine cultures' influence in social media websites where much of the information is usually user-generated. There is little research that considers the adoption of social media within the context of both culture and technology. This study addresses this gap by developing cultural constructs and providing a theoretically-grounded model for technology adoption in the context of social media. The proposed study is conceptual in nature and will put forth a research model that utilizes Hofstede's Cultural Dimensions⁹ and Venkatesh and Bala's¹⁰ Technology Acceptance Model 3 (TAM3).

2. BACKGROUND INFORMATION

Virtual communities have transformed consumers and societies with widespread access to information, social networking and enhanced

communication abilities¹¹. Previous studies have focused on electronic recommendation agents^{12, 13}, brand communities¹⁴, and companies' usage of online consumer conversations to extract marketing knowledge¹⁵. Studies have indicated culture is a significant variable in consumer behavior¹⁶, but relatively little theoretical and empirical work is available in a cross-cultural adaption of emerging technology. The influence of culture on the adoption of online shopping, for example, has resulted in mixed findings, with some studies recommending that on-line stores adapt their atmospherics to the nuances of a given culture¹⁷; other studies have suggested that cultural differences do not affect online retailers' ability to attract and retain customers, citing that established on-line stores such as Amazon are globally successful using a standardized customer interface¹⁸.

Regardless of whether or not the retailers use a culture-specific or a global approach in their marketing, it is urgent that they recognize the more pressing issue of incorporating social media into their infrastructure. Social media usage has fundamentally altered the consumer landscape, and for brands to remain relevant in this environment, retailers will need to adapt to both emerging technologies and shifting consumer behavior without delay. In examining the extent to which CGM influences shopping intention and, eventually, purchase behavior, this conceptual paper proposes to examine the cultural influence on consumer intention of using CGM and its impact on shopping behavior by using an adapted TAM3 model.

3. CONCEPTUAL FRAMEWORK

3.1 Technology Acceptance Model3

Technology Acceptance Model (TAM) is one of the models most widely-used to explain a user's behavioral intention to use technological innovations. By treating CGM as a technology system and the consumer using the CGM as a computer user, one can apply TAM to test intention to use CGM. TAM, originally proposed by Davis¹⁹, assumes that an individual's information systems acceptance is determined by two major variables: Perceived Usefulness (PU) and Perceived Ease of Use (PEOU). TAM3¹⁰ is an integrated model of technology acceptance that combines TAM2²⁰ and the model of the determinants of PEOU²¹. TAM3 emphasizes the unique role and processes related to PU and PEOU and theorizes that the determinants of PU will not influence PEOU and vice versa¹⁰.

3.2 Hofstede Cultural Dimensions

Culture is a conceptually complex idea that is hard to define. Hofstede's seminal work^{8, 9} focused on five cultural dimensions. Individualism is defined as the degree to which a society emphasizes the role of the individual. Power distance is the degree to which the less powerful members of organizations accept that power is distributed unequally. Masculinity is the degree to which a society emphasizes traditional masculine versus feminine values. Uncertainty avoidance is the extent to which people feel threatened by ambiguity in their environment. Lastly, long-term orientation is defined as the extent to which a society exhibits a pragmatic, future-oriented perspective rather than a conventional historic or short-term perspective. Individualism, uncertainty avoidance, and long-term orientation are the three dimensions of culture included in this study. Thus, figure 1 represents the conceptual model with the proposed relationships.

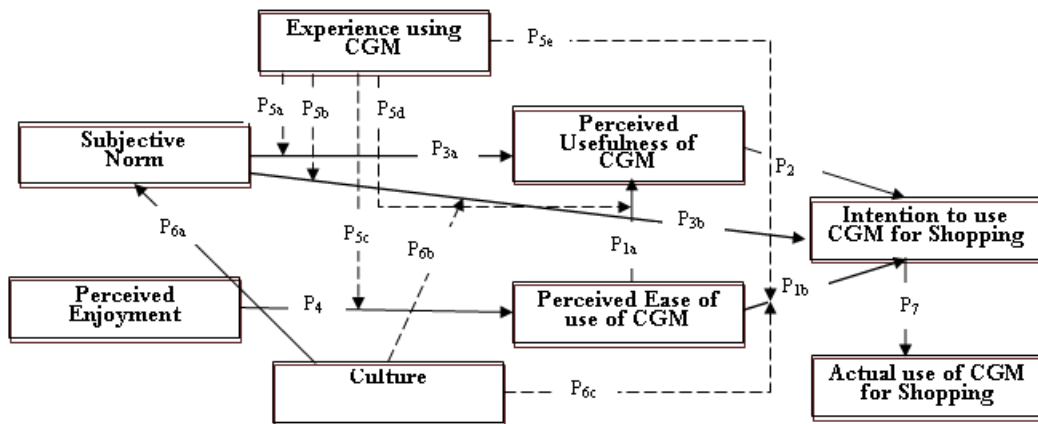


Figure 1. Research model

3.3 Study Variables and Hypothesis Development

The purpose of this study is to propose a conceptual model to understand consumers' use of social media while shopping, using culture and TAM3.

PEOU and PU: TAM posits that a consumer's intention to use a new technology like CGM is affected by both PEOU and PU. In the model, PEOU and PU are examined in relation to consumers' use of CGM. The model suggests that PU will be influenced by PEOU because, other things

being equal, the easier a technology is to use, the more useful it can be²¹. In general, PEOU and PU have a significant positive influence on intention¹⁰. Thus the following is proposed:

P_{1a}: PEOU will have a positive influence on PU.

P_{1b}: PEOU will have a positive influence on the intention to use CGM for shopping.

P₂: PU will have a positive influence on the intention to use CGM for shopping.

Subjective Norms (SN): SN represents a consumer's perceptions of what he/she thinks about what the referent wants him/her to do. SN has been found to have a positive link with PU and to influence intention positively^{20, 21, 22}. Thus, it is proposed:

P_{3a}: SN will have a positive influence on PU.

P_{3b}: SN will have a positive influence on the intention to use CGM.

Perceived Enjoyment: Perceived enjoyment measures the extent to which the activity of using a specific system is perceived to be enjoyable in its own right, irrespective of any outcomes of using the new technology¹⁰. Thus, in this study it can be inferred that the use of CGM by consumers for shopping will be influenced by the enjoyment factor of utilizing such social media. Thus, it is proposed:

P₄: Perceived enjoyment will have a positive influence on perceived ease of use of CGM.

Moderating Effects Of Experience: Experience can be defined as being familiar with the technology of interest²³. It is suggested that as a consumer becomes more experienced in using CGM, it is more likely that they will use it to make their decisions. In this proposed model, experience using CGM is the moderator between (1) SN and PU; (2) SN and intention to use CGM for shopping; (3) perceived enjoyment and PEOU; (4) PEOU and PU; and (5) PEOU and intention to use CGM for shopping.

SN is empirically confirmed to be the most influential determinant of PU²¹. Additionally, research has indicated that potential adopters (inexperienced) are influenced by SN more than current users (experienced)²⁴. Based on the above, it is proposed that:

P_{5a}: SN has less influence on PU for experienced users than for inexperienced users.

P_{5b}: SN has less influence on the intention to use CGM for shopping for experienced users than for inexperienced users.

Yu, Ha, Choi, and Rho's²⁵ study examining factors that influence T-commerce by experience level showed that perceived enjoyment had the greatest impact on attitude among experienced users. It can be inferred that the impact of perceived enjoyment on PEOU increases as experience accumulates. Thus it is proposed:

P_{5c}: Perceived enjoyment has more influence on PEOU for experienced users than for inexperienced users.

PEOU—that is, how easy or difficult a system is to use—is an initial hurdle for individuals while using a system²¹. It can be inferred that with increasing experience, i.e., once consumers are adept at utilizing CGM, the moderating influence of experience will decrease. Therefore, it is proposed:

P_{5d}: PEOU has less influence on PU for experienced users than for inexperienced users.

P_{5e}: PEOU has less influence on intention to use CGM for shopping for experienced users than for inexperienced users.

Cultural Dimensions: Individualistic societies indicate looser bonds between the members versus collectivistic societies. Hence, it can be assumed that the influence of referents would be higher in a collectivistic society. Societies that are high in uncertainty avoidance continuously feel the inherent uncertainty in life, which is related to customers' risk perception²⁶, and one can thus infer that, depending on their level of uncertainty avoidance, consumers will react differently towards using CGM. Individual perceptions can differ based on orientation, with individuals in short-term orientation cultures experiencing materialist consumption pressures (i.e., keeping up with trends, such as social networking)²⁷ and adopting new technology rapidly. SN is influenced not only by individual level differences, but also by cultural and societal values and norms⁹. Based on the discussion above, it is proposed:

P_{6a1}: Individualistic cultures will have less influence on SN than collectivistic cultures.

P_{6a2}: Low uncertainly avoidance cultures will have less influence on SN than high uncertainty avoidance cultures.

P_{6a3}: Short-term orientation cultures will have less influence on SN than long-term orientation cultures.

Moderating effects of culture: Research has indicated that culture can moderate the relationship between SN and the behavioral intention, as well as PEOU and intention^{28, 29}. Thus, two moderating effects of culture are proposed:

P_{6b1}: SN will have less influence on the intention to use CGM for shopping for individualism than for collectivism.

P_{6b2}: SN will have less influence on the intention to use CGM for shopping for low uncertainty avoidance than high uncertainty avoidance.

P_{6b3}: SN will have less influence on the intention to use CGM for shopping for short-term orientation than for long-term orientation.

P_{6c1}: PEOU will have less influence on the intention to use CGM for individualism than for collectivism.

P_{6c2}: PEOU will have less influence on the intention to use CGM for low uncertainty avoidance than high uncertainty avoidance.

P_{6c3}: PEOU will have less influence on intention to use CGM for shopping for short term orientation than long term orientation.

Intention to use CGM and Shopping Behavior: Social media allow consumers to embrace the inherent social nature of shopping by not only providing relevant information, but by also going beyond the traditional realm to satisfy much more hedonic needs: the need for approval from peers, the desire for self-expression, and the desire for entertainment³⁰. Thus it can be assumed that CGM may influence intention and eventually will impact their shopping behavior;’ thus, it is proposed:

P₇: Intention to use CGM for shopping will positively influence the actual use of CGM for shopping.

4. CONCLUSION

Technology savvy consumers are increasingly relying heavily on the collective wisdom of social media to help them find what they are looking for and might give more weight to these kinds of consensus recommendations than they would to expert advice or manufacturer testimonials. CGM adds a considerable value for consumers and lack of such information on a retailer’s website would cause them to seek information, and possibly products, elsewhere. Thus, it can be clearly stated that not incorporating CGM as a part of the marketing mix is not only poor customer service, but also a surefire way to lose consumers. In a

similar vein, successful marketers are increasingly recognizing culture as the most powerful determinant of consumer attitudes, lifestyles, and behaviors. Therefore, examining cultural influences on consumers' use of social media to form purchase intentions and eventual shopping behavior will add crucial new information and theory to this emerging area of research.

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