EXPLORING THE EFFECT OF SOCIAL FACTORS ON TRUST AND PURCHASING INTENTIONS OF UAE SOCIAL COMMERCE USERS.

1REEM NASSER AL OTAIBA, 2CHOWDHURY HOSSAN

12College of Business Administration, Abu Dhabi University, United Arab Emirates
E-mail: 1 r.alotaiba@gmail.com, 2 chowdhury.Hossan@adu.ac.ae

Abstract- This paper is an attempt to compromise a study of United Arab Emirates local users’ acceptance of an emerging e-commerce technology which is Social Commerce (SC). In spite of remarkable adherence in usage and adopting Social Media sites and applications, extensive business interest and growing potential economic variations, some central issues remain such as whether Emirati internet users are easily adopting such platforms-websites & applications- and the factors that affect the adoption. This proposal’s analysis draws from an extension of Shen’s (2013) social factors: social comparison, social presence, and enjoyment. Given that social features are derived from human behavior, the Social Factors variable of the Theory of Interpersonal Behavior (TIB) is used as a theoretical framework. Research questions adhere to whether there are tradition-driven social influences in Emirati users’ acceptance, trust and intention to buy in Social Commerce platforms.

Keywords- Social Factors, Social Commerce, Social Networking, E-commerce, United Arab Emirates, UAE.

I. INTRODUCTION

Social Commerce (SC) is the utilization of social networks in the context of e-commerce transactions. As social media is easily accessible, more consumers operate it as a source of information about, products, companies, reviews, goods, and services. The use of social technologies enhances and defines the shopping experience by forging relationships and influencing buying behavior. Once properly marketed, businesses can publicize and digitally market information about their products and services, and grow through viral exposure(Zhou, Zhang, & Zimmermann, 2013). As home to the Middle East’s fastest growing Internet population, the United Arab Emirates is rapidly developing e-commerce systems and grasping the attention of companies with global ambitions. One source ranked UAE users third among Middle East countries in usage, after Iran and Saudi Arabia (Internet Usage Statistics, 2014). With 3,777,900 Internet users out of a population estimated by the UAE federal government as 8.4 million as of June 10, 2011, nearly 76% of the population has access to the Internet, one of the highest penetrations in the world (Al-Jenaibi, 2011). As the Emirati user is opening tabs on the global business environment, the awareness of expanding virtually toohs. The business environment in the UAE is becoming highly competitive making the increase of on-line transactions a normal pace taken by national & private companies to sell and market products. Added to the competitive pace are social media e-retailing present in social e-applications, such as, Instagram, Twitter, Facebook and Whatsap. Through applications, popular tendencies amongst Emirati e-merchants thrive in starting off online businesses, creating ads, and attracting online social network users and their friends. Yet; Online Social Networks (OSNs) always carried a threat to user’s privacy & money. The UAE user is no exception. Despite such tendencies and projected potential benefits, some central questions remain. Given that UAE is anthropologically known to be a communal society where social relations are an intact manifestation of tradition(Alomosh, 2008), social influences apply as a matter of study. With wide internet usage, most of these social interactions are taking place through OSN platforms. Thus, we seek explore UAE users behaviors in SC through variables of Social Comparison (SCO) Social Presence (SP), and Social enjoyment (SE). We shall adopt the Theory of Interpersonal Behavior (TIB) as a mechanism to analyze how the forth mentioned social factors influence users trust & intention to buy.

II. LITERATURE

SC can be seen as a subgenre of electronic commerce that involves social media. It supports social interaction and user contributions to assist online buying and selling of products and services. In this literature we are looking at SC from individual level as social networking is mostly maintained by individuals more than by firms. It is this individuals’ level connection between sellers that create value (Stephen & Toubia, 2010). We also look at the definition of SC by dividing it onto two sub definitions: Social Networking and E-commerce and how these two come together to form Social Commerce. A tow is how we link our 3 social factors to TIB in order to create our theoretical model to further explain the variables influence on trust and intention to buy.

2.1. Social Networking

Social Networking is in other words Online Social Networking (OSN) sites and applications where user interactions occur (Richer et al, 2011). It includes all activities by Internet users with regard to extending or maintaining their social network through links and acquaintances (Richer et al, 2011) (Newman 2003).
Exploring the effect of social factors on trust and purchasing intentions of UAE social commerce users.

OSN research as a domain is still relatively young; to our knowledge, the first publication explicitly dedicated to OSN dates back to 2003. (Richter, Riemer, & Brocke, 2011) There exists a substantial amount of research on OSN’s & e-commerce in general, but few focused on the UAE spectra. One case study (Sokol & Sisler, 2010) which analyzes socializing via the internet among United Arab Emirates (UAE) - revealed that female respondents outweighed the male respondents and that their major concern was that of identity. In the UAE, Informal Networks used by ordinary people, picked to be used significantly by the female population (el-Aswad, 2014). One explanation is the government-led initiatives focused on promoting women entrepreneurs (Indrupati & Henari, 2012). Research also shows that public relations departments in the UAE have no clear policy and a strategy to use the Internet to promote and develop healthy relationships between the organization and its publics.(Kirat, 2007). It can come in forms of sites or applications. Such examples of sites are Facebook, Dubizzle and Ali Baba, whilst applications are Instagram, Snapchat and Whatsapp. Through these OSN’s, the user can submerge onto a virtual network of transactions which is e-commerce

2.2. E-commerce

E-commerce personified in transactions made in social networks is called Social Commerce. It can also be referred to as virtual commerce or online shopping and buying. Harker, et al (2011) believes that in the UAE, there is a possibility of online shopping hindrance in the face of the multimillion investment in shopping malls as entertainment destinations foster or hinder online shopping. UAE internet users spend over $1.15bn on e-commerce (Al-Rawi, et la.,2008) and that it might even reach $10 b in 2018 (Gulf News,2014). Yet, evidence shows that there are some obstacles created in the face of UAE based e-commerce by the little understanding of cyber law. Furthermore, Etisalat's monopoly of the telecommunications market, and the lack of awareness among the general public of the use of the Internet for money (Darby, Jones, & Madani, 2003). Globaly, companies indicated that this was a weak link in their strategy of introducing on-line marketing(Darby et al.,2003). “The overwhelming reliance on click through rates and numbers logging on as a means of evaluating use and effectiveness was highlighted as an area for much improvement. In terms of cyber hacking and security of personal details, each and every respondent is concerned. It is the responsibility of the organizations to use effective business operation resources in the business operation activities to ensure high security and quality control “(Darby et al., 2003). In retrospect, the UAE Government tries to motivate several MNCs to put shop in the global market place and also with the launch of the UAE government e-initiatives (Muhannad & Ahmed, 2014). In order to have an active e-commerce platform, endorsement of banks to on-line payment systems & change management (from traditional approaches to digital approaches) is highly required. Concerns on e-commerce intangibility should be resolved by familiarizing the customers of easy to follow steps and easy passages to the product (Al-Rawi, et al., 2008). Key issue for shops (or individual users) in large, online marketplaces is simply being accessible to customers. Another vague pattern we do not seem to find in UAE–based research is on which online platforms does e-commerce take place?

2.3. Social Commerce (SC)

Coming back to SC, there exists little to no research dealing specifically with SC in the UAE. What we understand from the literature is that social networks between sellers act as “virtual shopping centers” by helping customers browse between shops, thus improving the accessibility of the network's shops. The UAE internet users understand using social networks for social sales. Evident by the internet usage population which stands at 92% (according to IWS & World Bank). The question rests on how or where does this happen? Despite all the hype over SC Internationally, it is not clear whether UAE-users really understand consumer feelings about SC, and how they interact within sites. Consumers have seen so many transient technologies and rosy promises over the last decade. (Shin, 2013) UAE culture is pessimistic in some sense such as with the ‘Card Scams’ that occurred in September 2008 and affected UAE banks.

SC is a user centered design that is the reason it became a phenomena. Yet, the UAE is not homogenies when it comes to its residents. Authors raised the issue of nationality creating inconsistency UAE online based research. UAE is a country with a high level of immigration nationality. We do not expect participants to have been representative of the UAE citizenry (since nationals constitute only 20% of the population), but representative of the unique makeup of this country’s population. Nevertheless, individually held cultural values were controlled for; hence, our findings may not be representative of the UAE, but could be so of Eastern samples, as these seem to hold, on average, more collectivist values than Western ones. We shall address the concern over “social” results as there must be a sense of unified autonomy when it comes to online transactions. (Quinones & Kakabadse, 2015).

2.4 Trust & Intention to buy

The prominent concern over buying online is money(Gefen, 2000; Kim & Park, 2013; Weisberg, Te’eni, & Arman, 2011). Consumers are required to use a credit card for online transactions, and every activity or transaction on the OSN platform is monitored and tracked. As compared to traditional
shopping at a mall and stores, the operating costs for an online store can be a lot lower than a storefront type of retailer. In return, an online shopping site makes it easier for merchants to track online activity. This enables many companies to build large databases of online shopping activities, such as what the consumer has looked at, or what product the user has searched for(C. Lee & Fung, 2007). Past experience, subjective culture, and the perception of the situation are all linked to attitude toward the purchase through habits, attitude toward the product(J. A. Lee, 2000).In terms of subjective culture, the UAE society is a mimicking mainstream purchasing products from the world. But its Islamic traditional background, perhaps some products and services are off-limits-banned and blocked. Another issue to raise from UAE society is privacy, especially that of women, is sacred. The feeling of autonomy and comfort online contributes to trust(Gefen, 2000; Gefen, Karahanna, & Straub, 2003; Gefen & Straub, 2004; Shin, 2013). In a study in KSA (AlMaghrabi & Dennis, 2011) - closely related in social tradition to the UAE - finds few differences between men’s and women’s e-shopping behavior, but both genders are driven by enjoyment and ‘fun’ that online shopping can give. SC has features that contribute to the feeling of trust given that content is created by consumers, like customer ratings, reviews, recommendation and referrals(Kim & Park, 2013). Most of these come from real social profiles and real people. SC users actively interact with one another. Many users are influenced by other users’ opinions and experiences. With time, the users recognize the meaning of certain cues and do not requires to ask for clarifications. By that, the restraint is freed and users have a stronger intention to buy (Weisberg et al., 2011). Weisberg(2011) sees that trust and social presence create a “Social Context” which is important in affecting the consumer’s intention to purchase. By that we looked into social presence and other factors attributed with it.

III. THEORATICAL ANALYSIS

3.1 Social Comparison (SCO), Presence (SP) & Enjoyment (SE)

In prospect, social media exhibits the psychological concept of social influence rooted from the assumption that a person’s behavior is heavily influenced by the behavior and presence of others influencing users trust and purchasing behavior within e-commerce. SP, SCO & SE in customized applications might have an impact on a social media account in order to find followers location, preference and social circle, thus evoking trust(needs multiple citations). Communication aspect from a retailer can also influence trust and a stronger intention to buy if paving a clear communication pathway with the customer by giving all –online & non-online (i.e. call centers) - contact possibilities. Commerce aspects are utilizing the availability and quality of the products or service bought or sold with considerations of price. (Dedhai ,2001; Balabanis, Reynolds, & Simintiras, 2006). A clear description of the service/product is mandatory as it is the most vital factor in the success of the business (Delone & Mclean, 2004).

3.1.2 Social Presence (SP)

Social Presence (SP) might affect user buying behavior as purchasing is a task that requires relatively high SP(Weisberg, Te’eni, & Arman, 2011). In theory, SP is equated to the degree of awareness of the other person in a communication interaction (Sallnas, Rassmus-Grohn, & Sjostrom, 2000). First introduced by Short et al., (1976), it can be seen as a sub-area of communication theory as a “degree to which a person is perceived as “real” in mediated communication”. It is believed to accumulate a level of intimacy which depends on factors such as physical distance, eye contact, smiling, and personal topics of conversation. Immediate enhances social presence (Gunawardena, C. N., & Zittle, F. J. (1997). Social presence as a predictor of satisfaction within a computer-mediated conferencing environment. Middle Eastern countries such as the UAE or Lebanon also exhibit a more relational self-construal.

3.1.3 Social Comparison (SCO)

With Social Comparison (SCO) people prefer objective standards to evaluate themselves, and these are hardly available; thus they turn to evaluate themselves through comparison. Under such circumstances, people compare to each other to assess their standing and they prefer “similar others” to “dissimilar ones”(Michinov & Primois, 2005). Perceived peer influence positively affects a consumer’s attitude toward purchasing from a virtual store(Barkhi & Wallace, 2007). In Emirati women’s case, for example, more are involved in business coupled with a massive movement among young generation towards using the fashion and cosmetics to cope with this social and cultural changes. These new trends give more attention for personal appearance especially among new educated young generation. It is estimated that Emirate women alone spend close to AED 1 billion (US $272 million) per year on beauty products and treatments (Salim Khraim, 2011). The tendency to buy makeup online is heavily influenced but what the top most popular ladies in the society use and post on their social media accounts. Large body of literature in social psychology shows that social comparisons affect behavior, since individuals gain information on what constitutes the “right behavior” in various contexts one player affects behavior of others only when the former has high-status (Harper, Konstan, & Li, 2010; Shin, 2013). Hence, once prevalent behavior is available, people exhibit the tendency to copy this behavior. The copycat behavior is considered a public good if individuals
share their experience online. "The challenge facing designers and managers of such online communities is to motivate members to sustain and improve their contributions" (Harper et al., 2010). Such is the case with buying online, and strongly is the case with SC platforms. Shin (2013) described it as virtual “friends we trust”. Users online tend to be heavily influenced by what others say or write, more importantly those whom they have friended on Facebook or followed on Instagram. The UAE young generations, especially those who have just attained jobs, overwhelmed with the high pay, creating a “Nouveaux riche” mentality which tries hard to please and fit in an image of a certain social status. The UAE markets is shaped toward needs for uniqueness, especially for luxury brands derived from popular choice (Miremadi et al., 2011).

3.1.4 Social Enjoyment (SE)

Extending the online consumer behavior typology; with perceived enjoyment users experience self-fulfilling values by incorporating enjoyment and entertainment has been found to have a positive impact on users’ technology acceptance. The greater the perceived enjoyment, the higher the perceived ease of use and the greater the perceived usefulness of a technology (Soares & Pinho, 2014). The experience often offers entertainment and fun, which users have been found to appreciate (Harper et al., 2010). UAE users, like most of the world, enjoy the social activity online. bringing the world into Emirati homes used to be a subject of debate, particularly in the context of preserving the local culture. Shopping in the United Arab Emirates is "poetry of place", where people meet and greet and women are free to wander. This perhaps is more the case with tangible retailing but with virtual shopping, we do not have strong evidence on whether the UAE population enjoys shopping online. What we know is people in the U.A.E. are using their mobile phones more than their personal computers to shop online(Muhannad & Ahmed, 2014), perhaps this is attributed to enjoyment of smartphone convenience. If one looks at any 7th generation smartphone, plies of social media apps pour with a simple username and password. Through these social media apps, as we mentioned earlier, millions of transactions take place. It’s easy and enjoyable. There were positive factors of enjoyment in talking with other online shoppers about mutual opinions and experiences, learning about what other online shoppers think, and finding online product reviews helpful. There was evidence that is unique to social shopping sites affecting user acceptance and use of these sites for online shopping

3.15. TIB

The Theory of Interpersonal Behavior (TIB) is one of the comprehensive frameworks used by researchers to understand information technology adoption and usage (Hossan & Ryan, 2016). TIB argues that the behavioral intention of an individual is determined by their attitudes towards the behavior (affect), what they think they should do (social factors), and by the expected consequences of the behavior (perceived consequences). Triandis argued that individuals often arrive at decisions not only through focusing solely on the cognitive aspects of a situation but also by relying on their feelings. Thus, Triandis proposed that affect serves as an input in the decision-making process(Moody & Siponen, 2013). As we can see from Figure 1, there exists four variables that affect the behavior of the user: Attitude, Social Factors, Facilitating Conditions & Habit. Given our papers focus, we only take into consideration the second variables –Social Factors- and its sub-variables ; Norms , Roles & Self Concept.

Figure 1 Theory of Interpersonal Behavior Triandis 1977

Norms are the social rules about what should and should not be done. Roles are ‘sets of behaviors that are considered appropriate for persons holding particular positions in a group’ (Triandis, 1977). Self-concept refers to the idea that person has of himself/herself, the goals that it I appropriate for the person to pursue or to eschew, the behaviors that the person does or does not engage in(Moody & Siponen, 2013). The rest of the variables illustrated in Figure 1 can be explored in future research.

IV. DISCUSSION

The prerequisite of behavior and is no less than a “basic fact of social life” (Gefen, 2000);hence , individual behavior is influenced by social aspects. We acknowledge that TIB has its social factors; likewise we are adding a dimension, and suggesting a conceptual framework including Shin (2013) discussed social factors. This is mainly because of the commonalty seen amongst researchers in highlighting the importance SCO,SP & SE as vital factors in multiple research in the usage of SC - or in fact- in any online interaction(AlMaghrabi & Dennis, 2011; Gefen et al., 2003; Gefen & Straub, 2004; Harper, Konstan, & Li, 2010; Koenig-Lewis, Marquet, Palmer, & Zhao, 2015; Quinones & Kakabadse,
2015; Shen, 2012; Weisberg et al., 2011). Even though they are not combined together in many studies; but we conglomorate the 3 factors as an addition to our suggested model. As illustrated in Figure 2, interwoven, SICO,SP & SE represent additional sub variables parallel to Norms, Roles & Self Concept. Behavior is also categorized into two sub variables; trust & intention to buy.

By that, we can understand that factors that influence behavioral trust & intention to buy, though a grouping of social factors derived from Shin(2013) social concepts and TIB.

CONCLUSION

The current paper is not without limitations. We would like to dwell on other TIB variables and not only social factors and perhaps analyze that solely on UAE SC behavior. We also require a weighted quantitative approach to test the UAE online preference and demography. It was very difficult to find research addressing Social Commerce in the UAE. We had to find literature that took samples from countries closely related to the UAE, like India, Iran or KSA to follow through. We urge that UAE organizations learn from our study to provide truthful, clear and complete information, creating the sense of reciprocity as well as trustworthiness through the medium of Social Networking Sites. This surly can help in achieving a successful e-B2C & e-C2B relationship. The finding are useful for UAE organizations as they must design Social media pages carefully so to enhance consumers’ feelings, sense of trust, quality information and mechanism to provide feedback.

REFERENCES


Figure 2 Our proposed model to explore social concepts UAE SC users trust and intention to buy
Exploring the effect of social factors on trust and purchasing intentions of UAE social commerce users.


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