AFFECTION OF VIETNAMESE SOCIAL NETWORK ON E-COMMERCE BEHAVIORS.

Vo Thuan Hai
Department of Business Administration, Soongsil University, Korea

Kyeong Seok Han
Department of Business Administration, Soongsil University, Korea

ABSTRACT

The Vietnamese social media such as Facebook, Twitter, Go.vn and others has provided a powerful community network giving insights into consumer needs and behavioral intentions. This study explores how Social network affect consumer behaviors through consumer participation in an online shopping community and what motivates consumers to take part in the community activities. The findings of this study suggest that members of Social Media communities including seller and consumer have these motives for participating in online community activities: trust, perceived functional benefits, social benefits, perceived costs and time pressure that is indirectly via consumer attitude towards participation in the community. The experimental results also verify that the consumer participation affects consumer behaviors intentions in a way that benefits social network for e-commerce. Participation increases the intention to purchase, the intention to create positive word-of-mouth and the intention to make constructive suggestions, and reduces the propensity to leave the relationship with the social media community.

Keywords: Social Network, shopping, human behaviors, e-commerce.
1. Introduction

In this society community, people often use social network such as Facebook, Twitter, LinkedIn, Classmates.com and Yelp to connect the others who have some in commons through sharing status, videos, clips, and feedback as well as shopping habits behaviors. Businesses activities always consider increasing the quantity of customers and keep their own loyalty customers as one of their major strategy. Communication channel (Aljifri et al., 2003; Ahn et al., 2007) is the cheapest, effective and convenient method. Therefore, there have been so many setting up and running channels throughout social media that allow customers embracing to communicate, search information and transact with businesses. The network of customer has spread out in many edges of social network as discussion forums, bulletin boards, list servers, chat rooms, newsgroups, email, personal Web pages, social networks, and blogs. By this way, it has exposed a great data in customer behaviors for researching supportive for business success. Both Shin et al., (2008) and Swanynthan et al. (2002) show people’s purchase decision for any product is influenced by their cognition of that product such as trust and perceived its usefulness. But not many sufficient research framework examine referring to verify how influence of trust and perceive usefulness of a product affect on making purchase decision throughout using social network for e-commerce.

Theory of social network is a study of social networks and their affections on the relationships related with a person, group, or organization which can affect persons’ beliefs or behaviors (Bagozzi et al., 2002). The activities of relation could comprise the feelings people have for each other, the exchange of information or recommendation, and peoples’ influence on each other. Social network sites (SNSs) is presented by Bronner (2010) as web-based services that allow individuals to (1) build a public or semi-public profile (2) articulate a list of people to share a connection, and (3) view and traverse their list of connections. Its functions could allow individuals to meet strangers and enable users to articulate and make visible their social networks.

Vietnamese e-commerce has been developing with 80% people on using internet in particularly involving social network activities. The report of in 2015\(^1\) is showed that 40% of consumers ever visited message boards, social networking sites and blogs to get information on a company, brand or product make purchase decisions from the activities. This study is to examine the effect of trust and perceived usefulness of Vietnamese consumers on purchase decision in the context of social media. In addition, this research will analyze customer’s behaviors to make constructive suggestions as a consequence of consumer participation in the community. In this research, we attempts to listen to the comments as well as outcome of consumer participation. Consumers’ voice is always helpful to marketers seeking to improve their products or services.

2. Related work

2.1 Social media

Using internet for interconnectivity between individuals has been spread dizzily and created a social network with many different forms known as virtual communities, weblogs, microblogs, wikis, pictures or video sharing, social networking sites, social bookmarking and other social applications. The abundant flow of information exchange online contains the manner of behavior of users about any objects, events, products Hajli et al. (2013). This trend allows studies on social media have recently increased; and the amount of information is used for explored development enables customers and businesses to collaborate on the internet (Füller et al., 2009). Though social media consumers could generate content and make social interactions. Gefen et al. (2000) has been studied on the influence of social media on public relations while Gefen et al. (2002) do research on social media in the context of travel environment with review from social media with truth. In social media, many people may be trustworthy because they are real experiences by real people who are independent (Liang et al., 2011). By this way, social media have served as a new form of word-of-mouth for products/services to support consumers to make decision in e-commerce environments (Liang et al., 2011). For instance, Amazon.com could provide consumers to generate reviews and ratings the products with cooperatively interdependent.

2.2 Social media effect on trust

Sharing and providing information and offering advice among people in the social network build up trust in news, people, service, product in a specific community (Lu et al. 2010); so it is being a good tool for new customer attraction (Bagozzi&Dholakia 2002; Ridings &Gefen 2004). In social media, members can become familiar with other that they are easy on providing a possible source of trust to others (Lu et al., 2010). Therefore, it is important roles for business companies provide social model to consumers on their commerce (Lorenzo et al. 2007; Liang & Turban 2011). Social interaction can be interpreted as ties (Gefen et al., 2003) or social interaction ties (Fue et al. 2009). Where social interaction refers to a link established through the reciprocity behavior between two actors (Do et al., 2007). Regarding to social media context, all activities that actors involve are based on the social media interaction ties that can be applied to the context of social commerce. Therefore, social media interaction ties are important role to provide transition making for users. There have been some rules that commitment will be defined as a psychological construct representing the desire and resolve to continue participation (Liang & Turban 2011). Commitment has been manifested as the relational dimension of social capital (de Vries et al., 2012) that the stronger the users’ commitment is social media, the more the users’ contributions are in the social environment.

2.3 Usefulness on Social Network

Usefulness is one of the major structures of the technology acceptance model (TAM) (Davis 1989). Acceptance of users of computer equipment is one of the early developments of this theory (Davis et al., 1989). After then, several theories have been developed by many researches in various fields (Adams et al., 1992, Gefen & Straub 2000, Gefen et al 2003, Pavlou 2003, Hajli 2013) followed Davis et al. (1989). TAM model argues that structures have a strong influence on the adoption of systems by users (Pavlou 2003). Structures introduced by TAM can be applied in many ways (Adams et al., 1992) that can also be used to predict consumer behavior in e-commerce (Gefen & Straub 2000, Pavlou 2003). TAM is one of the common theories in Information Systems (IS) because it emphasizes the intention to use a system where ots tools have been validated in various studies (Pavlou 2003). In this study, usefulness on social network is considered as key factors for the proposed model development. The reason is that the construction has an indirect effect on user acceptance through usefulness (Gefen & Straub 2000). Some researchers have consistently argued that PU has a direct positive effect on the adoption of a system (Gefen & Straub 2000, Pavlou 2003) that have many different aspects to identifying PUs in e-commerce environments.
2.3 Online shopping via SNSs

2.3.1 Social network ties

It is necessary to consider online ties since there has been an increase in communities built online, and as such the influence of ties online becomes as important as the influence of ties offline, especially with the strong community on SNSs such as Google, Facebook, Twitter and so on. Davis (1989) presented TAM which ignored the aspect of social influence that related to adopting and utilizing a new technology in social ties. Several studies (McCole et al., 2010; Ringle et al., 2012) enhance TAM by looking at the relationship between online social ties and technology acceptance. They show that individual perceptions of information technologies have been influenced by the characteristics of the technology as well as the interaction with other users (Lai et al., 2008). McCole 2010 demonstrated that one's perception of the system is influenced by the way people around that person evaluates and use the system. As results, social ties connect individuals with others via the frequency and types of communications. By this way, they could be considered essential in exploring user acceptance of technology (Li et al., 2008). Otherwise, weakly tied persons do not like to share resources but they have the ability to provide access to more diverse types of resources because each of these people operates in distinct social networks (Garton et al., 1997). Therefore, new information travels along the route of a weak human tie rather than a strong one (McLure et al., 2005).

2.3.2 Recommenders’ trait

Several researches suggested that consumer preferences in such online contexts are affected by information cues easily which is made salient at the time of decision-making. For instances, attributes primed though website background (Ming-Hsien et al., 2009), attributes included in the recommendation of an electronic agent (Mueller et al., 20111), and the perceived cost of processing information (Nambisan et al., 2002) have been found to affect consumer decisions. Pan et al. (2005) demonstrated that a peer recommendation plays information cue that will significantly influence consumer search process and shopping decision. Additionally, some researches mentioned on information intensive environments, consumers may follow others’ opinions as managing their risks which could be associated with cognitively demanding tasks (Wang et al., 2012). Previous research found that consumers may prefer to rely on word-of-mouth information rather than information about product attributes (Senecal et al., 2012). Weisberg et al. (2011) showed that the role of the different characteristics of the recommender may take a different effect on viewer’s attitude and behavior in social media. So there are two basic recommender’s trait, rapport and expertise recommender as: (1) Rapport with the Recommender: Rapport refers to the affective bond that an individual may feel toward another person, generally arising from shared preferences, tastes, and lifestyles; and (2) Recommender Expertise: Researchers have examined recommender expertise by considering ability as dimension of trust (Sitkin and Roth, 1993) in terms of the skills and characteristics that enable a recommender to have influence within a particular area (Wixom et al., 2010).

2.3.3 Attitude and behaviors on online shopping

A research of Weisberg (2010) summarized that 47% of the consumers like to visit SNSs to search for and discuss holiday gift ideas, and 29% which they would buy. The application of shopping in social network allows consumers to embrace the inherent social nature of shopping that provide relevant information via postings online and go beyond the traditional realm by satisfying much more hedonic needs: the need for
approval from peers, the desire for self-expression, and the desire for entertainment (Chris et al., 2008). Individuals who apply innovations to individual and individual personal consequences, and whether an individual considers innovation for adoption is strongly determined by the compatibility of specialties. The point of innovation and individual needs (Chin et al., 2003). In the connected world today, according to Jiyoung et al. (2009), it is safe to assume that social networking is an important technological innovation that directly affects consumers and ultimately affects the recipient. Their awareness of the intention is to purchase online on social network.

3. Research model and hypothesis

Figure 1 depicts the proposed model that examines the relationships on Social media network, Consumer's trust, shopping purpose, shopping decision and utilities.

![Figure 1. Research model](image.png)

Consumers have been participated on Vietnamese Social Community by providing posts, feedback, reviews, and recommendation that makes consumer's trust in e-commerce. The interactions between consumers or consumers and ties could develop and destroy the trust in social community. Wang et al., 2012 demonstrated that the socialization of consumers is happened in direct social media by social interactions between consumers and indirectly by supporting product involvement. The social relationship of consumers which is created through social community that significantly affects the trust of consumers (Pan & Chiou 2011). Interactions on these platforms provide social utility as consumer's support. In social community, positive comments, feedback and higher ratings lead to construct higher levels of trust in a supplier (Ba & Pavlou 2002). Therefore, this study hypothesizes the following:

**H1a:** Social community affects on the consumer’s trust.
**H1b:** Social community affects on the usefulness.

Consumer's trust awareness in the social community is an important role in shopping behavior (Jiyoung 2009). Consumer members can believe on others via their information and experience exchange that lead to increase trust, and therefore willingness to buy (Han & Windsor 2011). Transactions with trust will affect online shopper (McCole et al., 2010), and intensify purchase intentions (Lu et al 2010, Shin 2010). When the
relationship between consumer's trust and usefulness is positive, and trust increases the characteristics of the usefulness (Gefen et al. 2003). Furthermore, consumer's trust plays an important role in determining both the purpose of the consumer behavior and the shopping decision (Gefen et al., 2003, Ming-Hsien et al., 2009; Shin 2010). In recent years, technologies of Web 2.0 can help customers to reduce their risk and increase the trust of the society. This technique provides utility tools for consumers to participate, rate, or feedback in social community. In fact, the more the trust of consumers, the more consumers' purposes to make decision on online shopping (Han & Windsor 2011). As results:

**H2a:** *Usefulness has a positive effect on the consumer's trust.*

**H2b:** *Usefulness has a positive effect on the consumer's shopping decision.*

Several researches demonstrated that usefulness affects the shopping purpose of consumer on e-commerce (Gefen & Straub 2000). In the social community, user’s usefulness will affect on the behavior of SNS members (Han & Windsor 2011). So that user’s usefulness is an important role in e-commerce and it will have a positive impact on the social community. The finding of the Jiyoung (2009) shows that the usefulness of consumers in SNSs leads them to buy more at SNSs (Jiyoung 2009). Therefore, the study suggests this hypothesis:

**H3a:** *Consumer's trust affects on the shopping purpose.*

**H3b:** *Consumer's trust affects on the shopping decision.*

Customer satisfaction is an important concern to both market researchers and practitioners alike (eg, Darke et al., 2010, Oliver, 1993, Spreng et al., 1996). The common view is that consumers are satisfied or dissatisfied with their consumption, as well as with the process of decision-making process in e-commerce (Fitzsimons, 2000). Fitzsimons et al., 1995 and Heitmann et al., 2007 showed that when customers are satisfied with decision-making they would be a significant contributor to a comprehensive consumer. Product availability, pre-purchase information, and product selection and selection are key factors on determining to satisfaction or dissatisfaction with the decision-making process on shopping (Westbrook et al., 1978). Heitmann et al. (2007) suggested that satisfaction on the decision was determined by customer choice goals, such as high choice confidence, low expectations of regret, and underestimation. In addition to contributing to consumer satisfaction, decision satisfaction has a positive influence on loyalty and willingness to introduce products to others (Heitmann et al., 2007) in many theories and experiments. Since shopping aids are intended to facilitate the shopping experience or process, consumers could be confidence in their decision and evaluate the cost. Therefore, therefore, the study suggests this hypothesis:

**H4:** *Shopping purpose affects on the shopping decision.*

**Results**

The survey questionnaire consisting of 35 items was translated from English to Vietnamese. It will be given to participants directly or invited them to visit a specific web-survey. At that site, measures were collected using a computer survey. Our observations are young and adult people; and total is 231 valid answers collected. Table 1 below shows descriptive statistics of study sample.
## Table 1. Demographic information of participant

<table>
<thead>
<tr>
<th>Demographic profile</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>136</td>
<td>58.87</td>
</tr>
<tr>
<td>Female</td>
<td>95</td>
<td>41.13</td>
</tr>
<tr>
<td><strong>Length of time on SNS (h/day)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.5-1</td>
<td>52</td>
<td>22.51</td>
</tr>
<tr>
<td>1-2</td>
<td>102</td>
<td>44.15</td>
</tr>
<tr>
<td>&gt;2</td>
<td>77</td>
<td>33.33</td>
</tr>
<tr>
<td><strong>Times of shopping decision (year)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-5</td>
<td>25</td>
<td>10.82</td>
</tr>
<tr>
<td>5-20</td>
<td>124</td>
<td>53.67</td>
</tr>
<tr>
<td>&gt;20</td>
<td>82</td>
<td>35.49</td>
</tr>
<tr>
<td><strong>Experiments</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No answer</td>
<td>5</td>
<td>2.16</td>
</tr>
<tr>
<td>I bought by rating</td>
<td>64</td>
<td>27.70</td>
</tr>
<tr>
<td>I bought by positive comments</td>
<td>79</td>
<td>34.20</td>
</tr>
<tr>
<td>I bought by other's decision</td>
<td>83</td>
<td>35.93</td>
</tr>
</tbody>
</table>

The results of the hypothesized model suggest in Figure 2 that the goodness of fit as, GFI = .867, CFI = .925, RMSEA = .073. Particularly, hypothesis 1a is that “Social community affects on the consumer’s trust”. This hypothesis was accepted with the estimate of .326 (p<.0001). Hypothesis 1b is “Social community affects on the usefulness.”. It is supported with an estimate of .156 (p<.0001). The hypothesis 2a “Usefulness has a positive effect on the consumer's trust.” was accepted with an estimate of .116 (p<.0001). The hypothesis 2b is “Usefulness has a positive effect on the consumer's shopping decision” which was accepted by an estimate .231 (p<.0001). The hypothesis 3b is that “Consumer's trust affects on the shopping purpose.” was accepted. It was supported by an estimate .087 (p<.0001). The hypothesis 4 “Shopping purpose affects on the shopping decision.” was accepted due to its estimate .233 (p<.0001). With respect to the non-significant paths, the paths between Usefulness and Shopping purpose (β = .058, p = .052) was not significant. The results did not support hypothesis 3b.

![Figure 2. Research result](image-url)
4. Concluding remarks

The aim of this study was to investigate the effects of Vietnamese social network on e-commerce behaviors. Current conceptions favor the consideration of Vietnamese consumer characteristics and situational factors as necessary to understand the impact of Social network community, as reflected in the purchasing power of the consumer such as usefulness, trust, shopping purpose, and shopping decision. In general, savvy consumers and less time consuming consumers should benefit from the benefits of social network. Particularly, a new consumers are forced to spend time benefiting from product recommendations for sharing information in social network. With the rapid growth of advances in technology and innovation in the sales industry, seller understands of how to support Vietnamese consumer shopping assistance in social network as well as to provide useful hints for retailers' decisions about improving shopping conversions and satisfaction with business.
References


