

Effects of Various Characteristics of Social Commerce on Filipino Consumer's Trust and Trust Performance

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ABSTRACT

The study was conducted in Santo Tomas, Batangas, to investigate the impacts of various social commerce features on Filipino customers' trust and trust performance to better understand how firms can adapt to this emerging trend of commerce using quantitative methodologies and technologies. With the rising market for social media, social networks, and other social platforms comes the advent of social commerce, a combination of traditional and electronic commerce. The researchers used a questionnaire based on the conceptual study of Kim, S., and Park, H. to conduct a survey with 206 blindly selected respondents. (2013), with some input from the researcher's knowledge. The research highlighted the following essential variables: reputation, size, information quality, transaction safety, communication, economic feasibility, and word-of-mouth recommendations. According to the survey, respondents look at other consumers' evaluations and how many have purchased, reviewed, or watched the product. Having product information on the website also increases respondents' confidence and trust in the vendor and the product. Positive reviews, according to the respondents, also aid in the development of trust. According to the study's findings, in order to stay afloat in the rising industry of social commerce, one must emphasize consumers' requirements. A good or negative review might spell the difference between success and failure in the ever-expanding world of commerce.

Keywords: *electronic commerce, social commerce, word-of-mouth, trust and consumers attitude, Santo Tomas, Batangas, Philippines*

INTRODUCTION

Social commerce is rising as a result of the growing popularity of social media platforms and the ease with which users may communicate with one another. According to Mangold, W. G., and Faulds, D. J. According to Williams (2009), social commerce is a hybrid of traditional and technological trade. It is business without a middleman; it is more consumer-focused. Kumar, S., Agarwal, N., Lim, M., and Liu, H. did research. According to (2009), the ability to speak and interact with other consumers about their experiences with the goods or services given without the requirement to purchase helps customers better appraise the aforementioned goods or services. With the growing development of individuals who capture their experience on a blog, social media site, or video sharing platform, potential buyers may witness firsthand the viewpoints of other customers rather than depending just on manufacturers' perspectives. S-commerce, according to Shen, Jia, and Eder, Lauren (2011), is the most recent development in e-commerce, and while there have been studies on it, new developments in the field make previous studies inaccurate and lack the specific characteristics that affect social commerce applications and their interactions with the user. This research can help those who live in the Philippines and are involved in social commerce, as well as others who wish to get involved in or are interested in social commerce in the Philippines. The researchers believe that the insights they have gathered may be used by businesses and women to improve their company performance and better comprehend the new growing market for social commerce. The study seeks to assist other academics working on the same problem by improving their own research.

Conceptual Framework

The conceptual framework contains the seven major parts of this research; they are identified based on the conceptual study of Kim, S., and Park, H. (2013), but some inputs also come from the researcher's knowledge about the flow of the study. The input box shows the key variables that must be identified throughout the research, the process box is the approach that the research must take in order to fulfill the objectives of the study, and lastly, the output box is the result or outcome from the said study, which will contain "The effects of various characteristics of social commerce on Filipino consumers' trust and trust performance."

Objectives of the Study

The study's objectives are, first, to establish the demographic profile characteristics based on age, gender, employment status, civil status, frequency of buying online, amount spent on buying online, and the most frequent product purchased online. Second, to assess the respondents' degree of perception about many characteristics such as reputation, size, product information, transaction safety, communication, economics, feasibility, word-of-mouth, trust, and consumer attitude. Third, examine whether there is a substantial difference between social commerce features and demographic profiles such as age, gender, civil status, and employment.

METHODOLOGY

The researchers used a quantitative research design in conducting this study. The study was conducted using a survey questionnaire to gather data and information relevant to the study. The respondents of the study were from Sto. Tomas, Batangas, which borders the cities of Calamba and Tanauan. The self-designed questionnaire was the primary data-gathering instrument used by the researchers. The variables contained within the questionnaire were based on the conceptual study of Kim, S., and Park, H. (2013).

The methods used for the interpretation of the data and testing of hypotheses include reliability testing, frequency distribution, weighted and composite means, and analysis of variance.

RESULTS AND DISCUSSIONS

Table 1 shows the demographic profile of the respondents in terms of age, gender, employment status, civil status, frequency of buying online, and spending. The results suggests that older individuals are less incline to use social commerce platforms, they may be swayed by reviews especially negative experience from using s-commerce platforms (Von Helversen, B., Abramczuk, K., Kopeć, W., & Nielek, R., 2018). This also shows that more females are more into social commerce that the males. Majority of the users are students mostly due to the convenience of buying online and time efficiency it provides. It also shows that most single are inclined to use social commerce platforms to buy what they need/want. In terms of frequency spendings, majority of respondents buy online twice and spends around 500-1,500 pesos.

Table 1. Demographic profile of the respondents

	Category	Frequency	Percent
Age	15-24 years old	167	81.1
	25-34 years old	33	16
	35-44 years old	4	1.9

	>45 year old	2	1
Gender	Male	86	41.
	Female	120	58.3
Employment Status			
	Students	135	65.5
	Employed	46	22.3
	Unemployed	19	2.9
	Other	6	2.9
Civil Status			
	Single	186	90.3
	Married	20	9.7
Frequency of buying online			
	1	14	6.8
	2	100	48.5
	3	58	28.2
	4	16	7.8
	5	7	3.4
	6	11	5.3
Spending			
	Less than 500	67	32.5
	500-1500	955	46.1
	166-2500	27	13.1
	2600-3500	4	1.9
	3600-5000	4	1.9
	More than 5000	9	4.4

It also shows that most single are inclined to use social commerce platforms to buy what they need/want. In terms of frequency spendings, majority of respondents buy online twice and spends around 500-1,500 pesos. According to Chiang, K. P., & Dholakia, R. R. (2003) study, one of the main reasons why consumers are drawn to online buying is the price difference compared to the local shops, most consumers go to online buying for the convenient it provides, the lower price and the way you can interact with the buyer and its users. If a product review is great, then more people will be drawn to it rather than a product with no reviews.

Table 2 shows that the majority of respondents research internet reviews before purchasing. This demonstrates that internet reviews play a significant role in social commerce, which is what the respondents focus on, while popular things are the respondent's second choice, followed by products used by celebrities.

Table 2. Reputation of the products

Reputation	Weighed Mean	Interpretation
I look for product reviews online	4.50	Agree
Popularity is an important factor	3.77	Slightly Agree
I prefer product that was being used by celebrities	27	Slightly Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

In table 3, respondents see websites with a high number of views. It demonstrates that respondents who see a site with a high number of views are more likely to visit the site and trust its interface, similar to the findings of the Park, D. H., and Kim, S. (2008) research, rather than a nearly unknown site, which may appear dubious, while respondents are more passive on the honors granted to large-capitalized online retailers and brands.

Table 3. Size

Size	Weighed Mean	Interpretation
The online shop received awards	3.66	Slightly Agree
Websites are viewed by many	4.11	Agree
Posted products are from influential brand that requires huge amount of capital	3.58	Slightly Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

Table 4 displays the product information that respondents examined. Respondents are unlikely to purchase an unfamiliar product without first researching its specs, indicating that they research product information before purchasing.

Table 4. Product Information

	Weighed Mean	Interpretation
I look at the specification of the product before buying it	4.56	Agree
I consider the materials used and how it is produced	4.41	Agree
I looked for the product registration	4.08	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

Table 5 shows that respondents want to keep customer information private, meaning that they want the transaction to be secure.

Table 5. Transaction Safety

	Weighed Mean	Interpretation
I make sure that seller responds to the buyers' concern before receiving the order	4.46	Agree
Consumers' information given are kept confidential	4.53	Agree
You are satisfied upon receiving the product	4.18	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

Table 6 shows that respondents want the ability to express their experiences and opinions on a certain service. Strong Internet network connectivity benefits both the business and the consumer by making it easier to access the seller's items, communicate, and engage online.

Table 6. Communication

	Weighed Mean	Interpretation
The customer can freely share their thoughts regarding the transaction	4.36	Agree

Producers are considerate in consumers address	4.20	Agree
Required feedbacks after the transaction can help the company's provider better service	4.35	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

Table 7 shows that increasing user experience is the most essential aspect for respondents when it comes to economic feasibility. All respondents believe that having a product available with simplicity of use on any social commerce platform for the delivery of that product is vital.

Table 7. Economic Feasibility

	Weigthed Mean	Interpretation
Availability of all the product at all time	4.28	Agree
Decresed cost of delivering to customers	4.26	Agree
Improve user experience (better navigation, speed, responsiveness)	4.33	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

In Table 8, "word-of-mouth," respondents rank customer feedback as the most significant factor in deciding whether to purchase a product from a merchant.

Table 8. Word of Mouth

	Weigthed Mean	Interpretation
Feedback of customer experienced could be a tool for more customers	4.46	Agree
Consumers can be referral from an acquainted person	4.34	Agree
Good or bad reaction of a customer from a certain product can influence friends	4.38	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

Table 9 shows that most respondents stated that the assurance of a product they purchased influenced their trust in the producers.

Table 9. Trust

	Weigthed Mean	Interpretation
Producers are completely honest in dealing the transaction with their customer	4.35	Agree
Consumers' assurance to the product they bought affect their trust to the producers	4.42	Agree
Entity's competency reflect to their trust performance	4.33	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

In table 10, respondents valued quality over price, meaning that the client, although focused on finding the greatest offers for quality, is also seeking for more vendors to have more alternatives and to discover the best deal out of all those available.

Table 10. Customer's Attitude

	Weigthed Mean	Interpretation
Quality over price	4.39	Agree
Comparison of the product was made before choosing which to buy	4.37	Agree

Notes: 1.00 – 1.99 Strongly Disagree; 2.00 – 2.99 Disagree; 3.00 – 3.99 Slightly Agree; 4.00 – 4.99 Agree; 5.00 – 6.00 Strongly Agree

Table 11 demonstrates that all variables are significant to the respondents. Based on the Liébana-Cabanillas, F., and Alonso-Dos-Santos, M. (2017) study, the reputation or social image, subjective norms, and usefulness determine the final intention of the users; furthermore, the age of the user determines the division of what the user's intent is in social commerce.

Table 11. Variables hat are significant based on the demographic profile - age

Variables	P-value	Interpretation
Polpularity is an important factor	0.031	Significant
I prefer product that was being used also by a celebrity	0.045	Significant
Good of bad reaction of customer from a certain product can influence friends	0.031	Significant

Notes: Significant at p-value < 0.05 and Not Significant p-value > 0.05.

Table 12 shows the respondents answer to the variables based on their sex. This demonstrates that if the product is registered and the vendor is legitimate, buyers are more likely to buy the product. Another reason is the way communication is involved because it is the primary tool for communicating with the seller and other consumers, and brands that require substantial amounts of capital are important for consumers to demonstrate that the seller has the capacity to sell and fulfill his role as a seller. Cho, H., and S. K. Jialin Gender has no major impact on one's attitude toward internet commerce, according to (2008) research, but females had lower levels of trust and self-efficacy when it comes to online commerce, making them less favorable customers than male consumers.

Table 12. Variables hat are significant based on the demographic profile - gender

Variables	P-value	Interpretation
Posted products are from influetial brand that requires huge amount of capital	0.026	Significant
I look for product registration	0.033	Significant
Feedack of customer experienced could be a tool for more customers	0.041	Significant

Notes: Significant at p-value < 0.05 and Not Significant p-value > 0.05.

Table 13 shows that respondents' responses vary depending on their employment; all variables, including reputation, size, transaction safety, consumer attitude, and economic feasibility, are relevant. Varied vocations in life offer different chances and considerations that might impact a person's purchasing decision (Liang, T. P., Ho, Y. T., Li, Y. W., & Turban, E. 2011).

Table 13. Variables that are significant based on the demographic profile - occupation

Variables	P-value	Interpretation
I prefer product that was being used also by celebrity	0.050	Significant
Posted products are from influential brand that requires huge amount of capital.	0.011	Significant
Availability of all the product at all times	0.029	Significant
Quality over price	0.046	Significant
Upon delivering the item are you satisfied	0.020	Significant

Notes: Significant at p-value < 0.05 and Not Significant p-value > 0.05.

In Table 14, it shows the respondents answer to all variables are significant. This shows that unmarried individuals are more likely to shop online than married individuals. This can be due to how married individuals tend to be more hands on when it comes to buying products or goods sold added to that is the hands-on activity involve which married individuals tend to like (Sethi, R. S., & Sethi, U. J. 2018).

Table 14. Variables that are significant based on the demographic profile – civil status

Variables	P-value	Interpretation
Websites are viewed by many	0.030	Significant
Required feedbacks after the transaction can help the company's provide better service	0.013	Significant
Improve user experience (better navigation, speed, responsiveness)	0.040	Significant
Good or bad reaction of a customer from a certain product can influence friends and into their friends and another friends	0.001	Significant
Comparison of the product was made before choosing which to buy	0.000	Significant

Notes: Significant at p-value < 0.05 and Not Significant p-value > 0.05.

CONCLUSIONS

The researchers discovered that the respondent's attitudes toward the vendor are professional, honest, and complaisant. The respondent also feels that size affects customer trust. where respondents browse for popular websites According to the responder, product information is a major indicator of client awareness of the product. Furthermore, respondents consider that the presence of security is one of the most important and vital components impacting online trade. The researchers concluded that the respondents' beliefs regarding economic feasibility or the indicated expectations of an individual from social commerce are as follows: first, the respondents want to improve and will have a better experience, specifically in the areas of navigation, speed, and responsiveness. The respondents believe that materials, including customer experiences, are distributed to prospects via internet channels to assist them decide whether to buy or reject a product. Respondents also came to the conclusion that a sense of confidence emerged in terms of expertise, morality, total honesty of producers toward customers, and uniformity. Having faith in what they bought will almost surely improve e-trust commerce's performance.

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