Chapter IX

The Effect of Information Satisfaction and Relational Benefit on Consumer’s Online Shopping Site Commitment

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ABSTRACT

The critical determinant of consumers’ commitment to online shopping sites is the information features on a given Web site because online shopping consumers cannot touch or smell the products as they usually do in traditional retail outlets. Customers have to base their judgments on the product information presented on the Web sites. To investigate the relationship between information features and consumers’ loyalty to a Web site, we have developed two constructs affecting consumer’s commitment to online shopping sites. The first construct indicates the consumer’s overall evaluation of the online site and the second is the relational benefit of psychological perception about an online site. Results of the online survey with 1,278 Korean customers of online bookstores and ticketing services indicate that information quality, user interface quality, and security perceptions affect information satisfaction and relational benefit. These, in turn, are significantly related to each consumer’s commitment to a site. Information satisfaction and relational benefit have a mediating role between online shopping sites’ information service quality and site commitment. The effect of information satisfaction and relational benefit appear differently with online bookstores and ticketing services.

INTRODUCTION

As a new marketing channel, the Internet differs from the traditional retail formats in many ways. A unique characteristic of online shopping is that consumers cannot touch or smell the products, as they might do in traditional retail outlets. Customers have to base their judgments on product
information presented on the Web sites. That is, consumer purchases are mainly based on appearance such as pictures, images, quality information, and video clips of the product, and not on the actual experience (Hong, Thong, & Tam, 2005; Kolesar & Galbraith, 2000). Shopping at an online store is like shopping through a paper catalog because both involve mail delivery of the purchases and in both cases customers cannot touch or smell the items (Lighter & Eastman, 2002). So the promise of e-commerce and online shopping depends, to a great extent, on user interfaces and how people interact with computers (Griffith, Krampf, & Palmer, 2001, Hong et al., 2005). Moreover, the characteristics of information presentation, navigation, and order fulfillment in an interactive shopping medium are considered more important factors in building e-commerce trust than in traditional retailing (Alba, Lynch, Weitz, Janiszewski, Lutz, Sawyer, & Wood, 1997; Reynolds, 2000).

However, while the information content of Web sites is an important determinant of consumers’ online shopping behavior, there is little empirical research on how the information features affect consumers loyalty to a Web based shopping site. Research conducted in a non-Western social context is limited. Therefore, this research addresses the important issue of how the information features affect consumers’ loyalty to commercial Web sites and provides both theoretical and empirical analyses to explain consumers’ commitment to an online site in a non-Western social context, especially Korea.

This study starts with the review of previous research of online shopping site attributes through information and explains how the information features affect consumers’ commitment to commercial Web sites. Later we show how we have developed and validated a research model by collecting and analyzing Web survey data with Korean consumer respondents.

LITERATURE REVIEW

Many studies have looked into online shopping service attributes (Jarvenpaa & Todd, 1997; Liu & Arnett, 2000; Lohse & Spiller, 1998; Szmanski & Hise, 2000). These studies have classified the attributes of online stores into four categories: merchandise, customer service and promotions, navigation and convenience, and security. These studies have not recognized, however, that the information aspects of these service attributes result in consumer commitment to shopping Web sites. In this section, we therefore show, for each category of service attributes, the importance of information for achieving consumer Web site loyalty.

Merchandising includes product related characteristics such as assortment, variety, and product information. Rich product assortment can increase the probability that consumer needs will be met and satisfied. But not all products available in the merchant’s catalog or real store are available online (Szymanski & Hise, 2000). According to Lohse and Spiller’s (1997) study, big online stores are less effective than small stores at converting site traffic into sales because consumers have difficulty in finding the products they seek. It is argued that since a primary role of an online store is to provide price-related information and product information to help reduce consumers’ search cost (Bakos, 1997), more extensive and higher quality information available online leads to better buying decisions and higher levels of consumer satisfaction (Lightner & Estman, 2002; Peterson, Balasubramanian, & Bronnenberg, 1997). Online shopping stores can offer hyperlinks to more extensive product information such as price comparison, product testimonials (e.g., book reviews at an online book store), and product demonstrations (e.g., software downloads).

The second attribute category for an online store is customer service and promotion. Cus-