The different impact of fluency and disfluency on online group-buying conforming behavior

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1. Introduction

In the last decade, online group buying becomes an important and rapid-developed sales channel for retailing providers. Such as Groupon.com and Nuomi.com, online group-buying auction is to provide a lower transaction price as long as the number of orders may reach a sufficient volume. According to prior studies (e.g., Kauffman, Lai, & Ho, 2010), externality effects, price drop effect, and startup inertia are three specific explanations that influence online group-buying behavior. Externality effects show that an online group-buying auction might yield information signals of deal attractiveness, quality (Bikhchandani, Hirshleifer, & Welch, 1998) and worth (McShane, Bradlow, & Berger, 2012). The price drop effect for online group-buying behavior refers to the phenomenon that once consumers perceive a beneficial cue from price discounts, they may be willing to make group-buying purchase decisions (Kauffman, Lai, & Lin, 2010). The third explanation for online group-buying auctions is startup inertia; this refers to the tendency of consumers to defer their decisions and maintain the status quo when detecting some risky or uncertain cues induced from group-buying auctions (Su, 2016). In sum, the externality effect signifies informational signals for consumers; the price drop effect signifies information on price perception; and startup inertia alerts consumers to the processing of risky or uncertain cues. All three explanations imply the importance of information processing with regard to online group-buying conformity behavior. Only when consumers perceive some cues from the information processing of a group-buying auction, may they make their final decision on whether or not to conform.

However, only a few studies have focused on the relationship between information processing and online group-buying conforming behavior and posit that online group-buying platforms may strengthen consumers’ information processing capability, enhancing the efficiency of online group-buying processes by using multi-channel interactions, searches, comparisons, ratings, and so on (Chen, Wu, Peng, & Yeh, 2015). These views, combined with recent studies on the relationship between information processing and fluency (e.g., Chang, 2013; Wänke & Hansen, 2015), make it reasonable to infer that fluency, as a key factor of information processing and decision making, influences the occurrence of online group-buying conforming behavior. Researchers have defined that fluency has two forms: processing fluency and retrieval fluency (e.g., Tsai & McGill, 2011). Processing fluency refers to the subjective experience of perceived ease or difficulty in dealing with external information. Retrieval fluency refers to the ease or difficulty in handling perceived information recalled from memory or retrieved from relevant arguments. Most of these studies also demonstrate that both forms of fluency have similar influences on decision making and increase the use of heuristic information.
processing (e.g., Chang, 2013; Tsai & McGill, 2011). Therefore, individuals with a great deal of both forms of fluency may easily engage in online group-buying conformity behavior which is regarded as the compositions of social or psychological cues or heuristic reasoning (e.g., Coulter & Roggeveen, 2012; Jing & Xie, 2011; Kao, Rao Hill, & Troshani, 2016; Kuan, Zhong, & Chau, 2014; McShane et al., 2012; Shiau & Luo, 2012).

In addition, this paper specifically examines the possible positive impacts of disfluency on online group-buying conformity behavior. According to prior studies on offline conforming behavior, conformity simultaneously impacts consumers and companies positively and negatively. Individuals can win social approval from others or lower uncertainty (Galdi & Goldstein, 2004; Dong, Dai, & Wyer, 2015) and may also experience higher anticipated regret (Lönnqvist, Leikas, Paunonen, Nissinen, & Verkasalo, 2006). Companies can attract consumers’ attention and promote products using a conforming-related theme (Lascu & Zinzhan, 1999), and may possibly lose customers pursuing uniqueness or counter conforming behavior. According to prior studies on disfluency, some researchers have begun to emphasize the positive impacts of disfluency on judgment and decision making (Hernández & Puigton, 2013) found that disfluency may prompt deeper and more analytical information processing to avoid more errors in judgment. As long as consumers carefully consider their judgments and decisions, they should end up with fewer negative feelings (e.g., regret) and be less likely to return goods. Based on the above, this paper first seeks to determine whether disfluency leads consumers to rationally consider their online group-buying conformity behavior and lower the rate of product return. This rationality may well help to avoid possible negative influences on consumers and companies.

Finally, Raghunathan and Corfman (2006) mention that social influence, which may be a key factor in determining conforming behavior, affects purchasing behavior of hedonic products, but not of utilitarian ones. To further generalize the theoretical links and extend practical applications, this paper also examines whether the interaction between disfluency and the purchase of different types of products (hedonic and utilitarian) has the same, or a different, influence on online group-buying conformity behavior.

In sum, by designing three experiments, this study aims to understand how fluency may increase the occurrence of online group-buying conformity behavior, and how disfluency may reduce the tendency to return goods. It also aims to understand whether hedonic and utilitarian products have different effects on online group-buying conformity behavior.

2. Literature review

2.1. Information processing and online group-buying conforming behavior

Many studies have provided definitions of conforming behavior, and have also explored the numerous factors influencing face-to-face conformity behavior (Lascu & Zinzhan, 1999) distinguishing four social and psychological factors that cause consumer face-to-face conformity: task or situation-related characteristics, personal characteristics, brand characteristics, and group characteristics. First, task or situation-related characteristics include: difficulty, complexity, ambiguity and subjectivity of tasks, novelty information, limited choice, importance to group or individual, prior conformity, pressure, and the degree of emergency situations. Personal characteristics include: task-oriented, the tendency to conform, the ability to self-monitor, public self-consciousness, social anxiety, desire for control, the need to be liked, fear of negative evaluation, and so on. Brand characteristics include: visibility, public consumption, variety of goods, uniqueness from competing brands, and so on. Group characteristics include: group size, similarity of the group to the individual, attractiveness, expertise, credibility, clarity of group goals, past successes, mutual self-esteem, and so on. To clarify the possible mechanism of conformity, some researchers turn to emphasize the important role of information processing on the implicit and explicit contexts of conformity (Cheng, Kao, Chuang, & Chen, 2013; Cialdini & Goldstein, 2004; Jung, 2006).

Although research findings dealing with conforming behavior have been discussed for a long time, conforming behavior with particular reference to Internet behavior has received less attention (Rosander & Eriksson, 2012), especially in the discussions on information processing on group-buying conformity behavior. Based on some prior studies, researchers have provided three possible explanations of online group-buying conformity behavior: externality effects, the price drop effect, and startup inertia. First, Kauffman et al. (2010) mentioned that the externality effect is regarded as the influence of consumers’ participation in attracting new group-buying orders. Su (2016) also showed that an online group-buying auction might give information signals of deal attractiveness, quality (Bikhchandani et al., 1998) and worth (McShane et al., 2012; Luo, Andrews, Song, & Aspara, 2014). In sum, the externality effect may be regarded as informational heuristics or cues on group-buying conforming behavior induced by the amount of consumer participation.

Second, the price drop effect for online group-buying behavior refers to the phenomenon that as long as consumers perceive a beneficial cue from a quantity bid reaching the next discount level, they tend to make group-buying purchase decisions (Kauffman et al., 2010). Thus, it is also reasonable to infer that the price drop effect is also an important informational heuristic or cue with respect to online group-buying conformity behavior. The third explanation for an online group-buying auction is startup inertia, which shows consumers’ tendencies to defer their decisions by opting to maintain the status quo when facing risky or uncertain cues caused by the perception of the group-buying auction costs (Su, 2016). These three explanations all emphasize the important role that information processing has on whether or not online group-buying conformity behavior occurs.

However, only a few studies have conducted empirical studies to demonstrate the importance of information processing in online group-buying conformity behavior. Regarding information processing, recent research only examined the influence of two kinds of information (buy versus like information) on group-buying purchase intention (Kuan et al., 2014) and showed that online group-buying platform providers should try to strengthen consumers’ information processing capability to achieve more efficient online group-buying processes by using multi-channel interactions, searches, comparisons, ratings, and so on (Chen et al., 2015). In sum, examining the mechanism of information processing on online group-buying conformity behavior may strengthen our understanding both theoretically and practically.

2.2. The impact of disfluency and product types on online group-buying conforming behavior

Based on prior studies, fluency is regarded as having two forms: processing fluency and retrieval fluency (e.g., Chang, 2013; Novemsky, Dhar, Schwarz, & Simonson, 2007; Tsai & McGill, 2011). Processing fluency refers to the subjective experience of perceived ease or difficulty in dealing with external information (Chang, 2013). Retrieval fluency refers to the ease or difficulty in handling
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