Journal of Retailing and Consumer Services 20 (2013) 445–452

Contents lists available at SciVerse ScienceDirect

Journal of Retailing and Consumer Services

journal homepage: www.elsevier.com/locate/jretconser

A good deal online: The Impacts of acquisition and transaction value on E-satisfaction and E-loyalty

Anne-Françoise Audrain-Pontevia [a], Gilles N'Goala [b], Ingrid Poncin [c,*]

[a] Université du Québec à Trois-Rivières, Ringuet 3140, 3351 Boulevard des Forges, CP 500, Trois-Rivières, (QC), Canada G9A 5H7
[b] University Montpellier 1, MRM, Case 028, Place Eugène Bataillon, 34095 Montpellier cedex 5, France
[c] SKEMA—University Lille Nord de France, Avenue Willy Brandt, 59777 EURALILLE, France

ARTICLE INFO

Article history:
Received 8 August 2012
Received in revised form
28 December 2012
Accepted 1 April 2013
Available online 16 May 2013

Keywords:
Perceived transaction value
Perceived acquisition value
E-satisfaction
E-loyalty
Exchange theory
Smart shopping

ABSTRACT

Relying on Thaler's exchange theory, this research examines the unique effects of perceived transaction and acquisition values on consumer e-satisfaction and e-loyalty in an e-commerce setting, along with the moderating role of product/ service category. Overall, consumers' perceptions of transaction value lead to their e-dissatisfaction. Hence, obtaining a good deal does not have the same meaning and influence depending on the type of buying trip (exploratory or goal-directed). These results confirm Thaler's exchange theory's usefulness to analyzing the impact of perceived value on e-satisfaction and e-loyalty. Additionally, in a managerial perspective, this research underlines the importance of adapting promotional strategies to online contexts, since online purchase experience improves when there is an alignment between the customer's goals and the e-tailer's online offering.

1. Introduction

Web-based commercial transaction channels continue to grow, such that approximately 45% of Internet users in the United States and Europe purchase goods online (Kollmann et al., 2012). Modern consumers are continuously exposed to promotions and price deals through companies' websites and e-mail campaigns. Pricewaterhousecoopers estimates that in 2010, the Internet sector represented 14.9% of total advertising expenses (or $61.8 billion)[1]. Yet these deals also have encouraged consumers to compare real-time offers and prices on the Internet and to become “smarter shoppers”. Many consumers then have a greater tendency to invest considerable time and effort in seeking and utilizing promotion-related information in order to achieve price savings (Mano and Elliott, 1997, p. 504). In such a context, consumer loyalty is difficult to achieve, although competition online demands that companies retain their online buyers (Reichheld and Schefter, 2000).

E-tailers have then two contradictory objectives: on the one hand, they must provide smart shoppers with day-to-day sales promotions to increase revenues in the short run; on the other hand, they face difficulties in making these smart shoppers loyal. Competition is just a click forward, information searching costs are very low, and consumers are used to seeking deals, discounts and bargains. Many studies have examined the role of prices in creating value and stimulating purchases (Lichtenstein et al., 1990; Grewal et al., 1998). However, there are still not enough empirical studies in online environments which examine the potential effects of price deals on relational outcomes, such as consumer satisfaction and loyalty. An important question remains unresolved: will consumers be really satisfied and loyal to their e-tailer when they obtain good bargains online? This research aims at answering this question. There are two main objectives. First, according to Thaler's exchange theory (Thaler, 1983, 1985; Lichtenstein et al., 1990), we distinguish acquisition value (Utility of Purchased Product—Purchase Price) from transaction value (Internal Reference Price—Purchase Price) and investigate their respective impacts on consumer satisfaction and loyalty in an e-commerce setting. Two key cognitive processes related to prices are underlined. On the one hand, consumers assess the net gain (or tradeoff) obtained from acquiring, possessing or using a product or a service (Monroe and Krishnan, 1985). Zeithaml, 1988 (p.14) especially focuses on this acquisition value and examines “the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given”. This product/ service value influences relational outcomes, such as consumer satisfaction and loyalty (Fornell et al., 1996). On the other hand, consumers compare the purchase price to the r reference price held in their memory and obtain a transaction

* Corresponding author. Tel.: +33 514 489 01 14; +33 467 144 22 0; +33 202 15 99 6.
E-mail addresses: audrain.pontevia@gmail.com (A.-F. Audrain-Pontevia), gilles.ngoala@univ-montp1.fr (G. N'Goala), ingrid.poncin@skema.edu (I. Poncin).

[1] IAB Internet Advertising Revenue Report, 2010.

0969-6989/$ - see front matter © 2013 Elsevier Ltd. All rights reserved.
http://dx.doi.org/10.1016/j.jretconser.2013.04.002

value (Grewal et al., 1998), which may lead to hedonic and ego-related benefits from taking advantage of a good price deal. This double aspect of transactions has been largely documented in Thaler's exchange theory (Thaler, 1983; 1985; Xia et al., 2010) and in smart shopping literature (Schindler, 1989; Atkins and Kim, 2012). However, relatively few studies investigate the role of perceived transaction value on consumer satisfaction (for exception, Mano and Elliott, 1997; Darke and Dahl, 2003) and, to the best of our knowledge, no study simultaneously tests its impact both on consumer satisfaction and loyalty in an online environment.

Second, we argue that acquisition and transaction values do not have the same influence on e-satisfaction independent of the type of purchase made by consumers. In online environments, each type of product involves a specific purchase strategy and information search, which can be either goal-directed or exploratory (Moe, 2003). Previous empirical studies on transaction value or smart shopping only consider convenience or specialty products in traditional retailing, that is to say, products which imply a routine or goal-directed search (Mano and Elliott, 1997; Darke and Dahl, 2003). A smart shopper is often viewed as a consumer who has a planned purchase in mind and who will use his/her personal knowledge and skills to buy the preferred product at the lowest price. But, with the development of the internet, information costs are much lower, price comparisons require less time, efforts and energy, and consumers are likely to browse and explore web offerings, without even considering an immediate purchase (Moe, 2003). Therefore, some purchases are not goal-directed but undirected and stimulus-driven, resulting from impulse buying. “Obtaining good deals” might not have the same meanings to consumers in this specific situation. We therefore argue that the type of online purchase (goal-directed vs. exploratory) significantly moderates the influence of acquisition and transaction values on e-satisfaction.

Overall this research makes two main contributions. From a theoretical perspective, it highlights the importance of Thaler's exchange theory, which distinguishes acquisition value from transaction value, to understand the effects of price perception on online buyers' satisfaction and loyalty. Additionally, from a managerial perspective, this research underlines the importance of adapting promotional strategies to online contexts.

In the next section, we specify the key concepts underlying our research and present the conceptual framework, which includes acquisition and transaction value, e-satisfaction, and e-loyalty. After we describe our research method, sample, and data analysis approach, we present the results and discuss their implications for e-commerce theory and practice. We conclude with some main limitations and directions for further research.

2. Conceptual framework

Perceived value, as we noted in Section 1, has often been seen as an overall assessment of the utility of a product or service, based on what is received and what is given (Zeithaml, 1988). Despite its widespread use, this definition fails to address the hedonic or ego-related benefits of obtaining a good price deal. Yet, the experiential marketing literature distinguishes shopping's utilitarian value, i.e. functional benefits and sacrifices (“shopping as work”), from hedonic value, i.e. experiential benefits (“shopping with fun and fantasies,”) (Babin et al., 1994). According to Thaler's exchange theory (Thaler, 1983; 1985; Xia et al., 2010) and to smart shopping literature (Schindler, 1989; Atkins and Kim, 2012), we hereafter focus on the specific intrinsic value resulting from price savings, but do not examine the total shopping experience (feelings, entertainment, escapism, etc.).

2.1. Distinguishing transaction value from acquisition value

In Thaler's (1983, 1985) exchange theory, perceived utility obtained from a transaction refers to two cognitive processes: acquisition utility refers to the value of the product or service per se, so it depends on the value of the good received compared with the outlay, measured as the difference between acquisition utility and the purchase price. In contrast, transaction utility refers to the difference between a consumer's reference price and the purchase price. This internal reference price represents a price, or even a price scale, in the buyer's memory that serves as a basis for evaluating or comparing actual prices (Monroe, 1973; Monroe et al., 1991). Transposed to marketing, Thaler's theory led to considering perceived value as a combination of perceived transaction value and perceived acquisition value (Grewal et al., 1998). Perceived acquisition value stems from the net gains associated with the products or service the consumer acquires, influenced positively by the benefits shoppers believe they are getting and negatively by the money they give up to acquire the product. In contrast, perceived transaction value leads consumers to feel pleasure when buying, obtained from taking advantage of a good price deal (Lichtenstein et al., 1990). This hedonic feeling making the consumer feel ‘smart’ may therefore be acquired when a product or a service is obtained at a decreased cost. According to Gelbrich (2011), a price advantage renders customers happy, and then any additional emotions depend on the causal attribution (internal or external locus of control). This price comparison also influences the consumer's self-concept: believing that he or she paid a fair price causes satisfaction, pride, a sense of accomplishment, or a feeling of being smart; in contrast, sensing that the price was too high in comparison to the market price may generate anger (Shimp and Kavas, 1984). Paying more than another consumer may also enhance their unfairness reactions, because it makes the violation of the deservingness notion especially salient (Darke and Dahl, 2003; Ashworth and McShane, 2012). Thaler (1985) assumes that when shoppers perceive the product they buy as a deal, it enhances their subjective product or service evaluations.

Yet no extant literature combines perceived acquisition value with perceived transaction value as defined by Thaler (1985) already investigated in traditional marketplaces (Xia et al., 2010 for online experience,). Therefore, we focus on specific hedonic responses to price savings, rather than on other emotional responses stemming from hedonic browsing, and recognize that shoppers can experience both utilitarian and hedonic responses to price savings. As Mano and Elliott (1997) point out, smart shoppers may perceive “shopping as ‘work,’ but take credit for making a smart purchase and value the fruits of their labor.”

2.2. Investigating the respective influences of transaction value and acquisition values on consumer e-satisfaction and e-loyalty

Since customer loyalty has become a top priority for companies, customer satisfaction is often seen as critical, even in e-commerce. Shankar et al. (2003) underline that the satisfaction–loyalty relationship is even stronger in online environments than in offline ones. We hereafter define e-satisfaction as the contentment of the consumer with respect to his or her prior purchase experience with a given electronic commerce firm (Anderson and Srinivasan, 2003). Many studies have already revealed a causal chain: perceived acquisition value (Utility of Purchased Product—Purchase Price)→satisfaction →loyalty. Consumer satisfaction is seen as a key mediator (Fornell et al., 1996; Lam et al., 2004).