The Impact of Positive Valence and Negative Valence on Purchase Intention

Purpose: New research emphasizes the importance of social communications in e-commerce purchase decision making processes but there are many technical and social challenges such as multi-faceted trust concerns. How consumers view and value referent’s online testimonials, ratings, rants and raves, and product usage experiences remains an important factor that needs to be better understood. Social commerce as a relatively new stream in e-commerce yet is growing fast and gaining the attention of scholars and practitioners, especially due to recent revenue developments. Consistent with e-commerce websites that do not enable consumer feedback, trust is a challenging matter for consumers to consider when they visit social commerce websites. Researching trust models and influences is increasingly important especially with the proliferation of online word of mouth strongly effecting many consumers at many different phases of social commerce purchase decision making and transacting.

Design: This study examines the effects and importance of institution-based trust and word of mouth within a model of consumer behaviour on social commerce websites. This research examines how trust and consumer feedback may affect consumers’ purchase intentions. This study collects data from the little-understood market of urban Iran and develops a research model to examine consumers’ purchase intentions on social commerce websites. A robust dataset from urban Iran (n= 512) is analysed using partial least squares regression to analyse our proposed model.

Findings: The results of our analysis show that institution-based trust influences social media communication, leading to elevated purchase intention on social commerce websites. This research adds to the prior literature that espouses on the importance of consumers developing strong beliefs of vendor trust in social commerce platforms.

Originality: Explaining how consumer purchase decision-making is effected by using institution-based trust and electronic word of mouth in a little understood middle eastern context an important contribution of this research. Suggestions on practical and theoretical developments of this research in the sharing commerce research stream conclude this paper.

Keywords:
Social commerce; sharing commerce; institution-based trust; sharing economy
Introduction

With the proliferation of Web 2.0 technologies that facilitate peer-to-peer communications and transactions, e-commerce has been developed to social commerce. Social commerce is a new stream in e-commerce. Social commerce has transformed the information gathering and processing that consumers experience. Consumers are able to share their knowledge, experiences and information with other consumers. The expansion from vendor delivered content to include more unbiased product and vendor information provided by fellow consumers has revolutionized online transacting. The popularity of social commerce features on e-commerce websites has established two-way communication with consumers, (Z. Huang & Benyoucef, 2013) resulting in an enhanced shopping experience (Han & Windsor, 2011). But the question remains, do consumers trust the vendor more when they can read other consumers product experiences? It is evident that the social commerce era delivers a plethora of afforded advantages that are driving social commerce development. Social commerce is a new stream in e-commerce. Social commerce has been developed by popularity of social media. In social commerce platforms such as Amazon customers can interact online and create value for the business platform. Analysing consumer behaviour using social commerce is an important topic in the marketing and information system domains. (Liang, Ho, Li, & Turban, 2011; Lina Zhou, 2013; Stephen & Toubia, 2010; C. Wang & Zhang, 2012; H. Zhang, Lu, Gupta, & Gao, 2015). In fact, the social commerce platforms mediated by social media (Jeppesen & Molin, 2003; D.-H. Shin, 2013) provide a multitude of interactive channels for consumer interactions, which empowers their purchase intentions (Liang et al., 2011). Relatedly social commerce technologies enable the new sharing commerce where consumers also use these platforms to conduct customer-to-customer business, trading, sharing or selling products and services. Sharing commerce is a new development in e-commerce which empowers customer to customer e-commerce. Airbnb is a good example of sharing commerce where customers interact for their own products. Furthermore, consumer interactions have been demonstrated to be a precursor to successful social commerce (Y. Wang & Yu, 2015).

Consumer-to-consumer interactions and conversations, and testimonials that take place on social commerce platforms, also known as social media communication, can consist of content with negative or positive valence (Y. Wang & Yu, 2015). These interactions record consumer electronic word of mouth (e-WOM) which is a valuable source of external knowledge (C. Su, Chen, & Sha, 2006). Moreover, Füller and Matzler (2007) reason that the interactions resulting from electronic word of mouth are a fundamental basis for building trust in a business context. Consumers
now read, value and place strong importance in the experiences of prior consumers. The question remains however how does consumer trust in an e-commerce vendor effect subsequent consumer eWOM?

The influence of consumer trust in e-commerce vendors has been reported in intention-based studies and is reported to influence purchase intentions (Lu, Fan, & Zhou, 2016; Maoyan, Zhujunxuan, & Sangyang, 2014; Ng, 2013). Although there are many other components that influence purchase intentions in new online contexts, trust is known to be a challenging component to research and understand in e-commerce transaction contexts (D. a. S. Gefen, D., 2000). Related new research emphasize the potentials of the consumer-to-consumer sharing economy but consumer trust is an important social challenge for consumers entering sharing economy.

Due to the significance of consumer trust as a pre-cursor to engagement in social commerce and sharing commerce platforms, this study sets out to answer the following research question: does institution-based trust drive social media communication, which in turn leads to higher consumer purchase intent to buy using social commerce websites? To answer this question, we start by proposing a research model to examine the impact of institution-based trust in social commerce platforms and move on to examine how trust affects social media communications, positive and negative valenced beliefs and higher purchase intentions.

This paper is organized as follows: the following section reviews the literature on the antecedents of purchase intentions in social commerce, followed by the theoretical model and the associated hypotheses guiding this research. Subsequently, the research method and the results of the analysis are presented. The final sections discuss the contributions of this study, as well as the theoretical and practical implications.

**Literature review**

In this research, we develop a research model to examine the purchase intentions of social commerce consumers examining the effects of institutional based trust on social media communications, and valenced evaluations for Iranian consumers that are considering e-transacting.
**Social media communication (content, positive valence and negative valence)**

In social commerce context, content is the textual and visual information provided by customers via social media. Information Positive valence is defined as declarations that are positively motivated in favour of consumers’ purchase intentions. On the other side, negative valence comprises negative declarations that are provided by people for a particular service or product on social commerce platforms.

The digital revolution has opened up many new channels of influence and communication and has offered paths to reach and connect very specific individuals (Dibb & Carrigan, 2013). Specifically, in today’s communications media, many customers persist in wanting to be heard, and be part of conversations (Gordon, 2013). One good example of the digital revolution is the widespread daily usage of social media. Social media websites impart consumers with the ability to share and receive information and knowledge about generic or specific products from their networks of friends and family and other online consumers (Ahuja & Galvin, 2003; Dhar & Chang, 2009; Kozinets, 1999; Liang et al., 2011; J. Zhang & Daugherty, 2009). Social media platforms have reshaped the nature of digital information sharing and networking (Panagiotopoulos, Barnett, Bigdeli, & Sams, 2016). Particularly, social networking websites provide various types of social communication and networking features, including the posting of content of both positive and negative valence. Social commerce textual interactions, as studied by (Wu & Wang, 2005), are a significant predictor of behavioural intentions, and have a strong influence on consumer buying decisions (Lueg & Finney, 2007). The importance of gaining product information from other social media participants is gaining as many social media users have increased their fame and influence by sharing common ideas and cultural values through their interactions (S. J. Park, Limb, & Park, 2015). For example consumers evaluating a new cardio exercise machine are likely to seek out and read product evaluations from ‘the elliptical lady.’ When aggregating many different information sources (both positive and negatively valenced) yielded through social media channels, consumers believe they are receiving more-reliable information than through traditional vendor developed advertising (Goh, Heng, & Lin, 2013).

The multitude of content generated and consumed via social media channels exert a strong impact on consumers’ purchase intentions. In addition, frequent social media communication related to consumption matters leads to stronger purchasing motivations (Shim, 1996; Gregorio and Sung 2010) A number of empirical studies have also established that online communication has a significant influence on consumer attitudes (Bianchi & Andrews, 2012; Blasco-Arcas, Hernandez-Ortega, & Jimenez-Martinez, 2014; Punj, 2011). Similarly, Baur (2017) asserts that the content
generated on social media platforms has the potential to become a primary source of information bases for both public administrative bodies and commercial firms.

Social media communication is made possible through the many communication tools available on social media platforms. Blogs, instant messaging and live feeds are examples of communication processes that are easy and convenient (Muratore, 2008; Z. Huang & Benyoucef, 2013). The communication that takes place on social media is likely to fulfil an essential role in shaping consumers’ product, service, or destination evaluation and decision-making behaviours. Social communications can be produced and diffused quickly and is relied upon by many consumers in many purchasing contexts for making timely and accurate purchase decisions.

Social media communication developed e-commerce platforms into social commerce platforms. Social commerce, as a new stream in e-commerce, empowers consumers through enabling online communications between users on e-commerce platforms. For example when standing on ‘restaurant row’ a consumer can use their smart phone to read what current dining customers are saying about the food, and atmosphere of each restaurant choice perhaps using Yelp. The social content can be accesses, learned and used in minutes, resulting in a more optimal restaurant choice for the evening’s fine dining.

Online communications about a product or service can be positive or negative. For example, consumers can describe the waiting lines of a restaurant (using the Yelp scenario above) or other difficulties they have experienced with a service on the vendor’s branded Instagram page or other page. In fact, a recent study by Liu and Kang (2017) found that negative self-disclosed information (negatively valenced informations such as a product failure) is perceived as more intimate than positive self-disclosed information (positively valenced information such as an enjoyable consumption experience). In yet another study, the authors affirmed that on an online platform, individuals are more inclined to post about positive aspects, as it is more normative and common to do so (Utz, 2015). The online communications amongst consumers develops a simple e-commerce platform into a social commerce platform, where peers share their knowledge and both good and bad experiences with others.

Purchase intentions in social commerce
Social commerce makes possible consumer to consumer and consumer-to-brand interactions, that assist the online buying, selling and marketing of products and services (Ng, 2013). Social commerce on smart phones and personal computers offers an effective and easy to access and use platform for consumers to interact and make better-informed purchase decisions. It is evident that greater familiarity between the information sender and receiver on a social commerce platform results in a greater intention to buy products or receive services online (Lu et al., 2016). In addition, research suggests that social commerce through the proliferation of social media has an effect on consumers’ online purchase intentions with respect to four factors, namely placement, marketing activities, experiential marketing and interaction. These factors influence consumers’ inner perceptions and altogether affect online purchase intentions Maoyan et al. (2014)

Theoretical framework of this research

In this section, we explain the theoretical base of this research. The proposed research model is shown in Figure 1.0 and shows the relationships amongst the theoretical constructs of the research model. The measurement items for each construct has been shown on Appendix A.

Figure 1.0 Research model
Institution-based trust (trust in social commerce websites)

Trust refers to the belief that the service provider is honest and benevolent (Gustafsson, Johnson, & Roos, 2005; Morgan & Hunt, 1994). Trust from the perspective of social psychology is defined in the marketing literature as the perceived credibility and benevolence of the target (Doney & Cannon, 1997). Many studies concerning purchase intentions have emphasized the importance of online consumers’ trust in a social commerce platform (Harris & Goode, 2010; Mantymaki & Salo, 2009; McCole, Ramsey, & Williams, 2010; Weisberg, Te’eni, & Arman, 2011). According to D. Gefen, Karahanna, and Straub (2003) and Mutz (2005), trust is a critical component in an online context, specifically where risks are perceived to be high. In fact, past literature has reported that trust is a key factor in a business, as it influences consumer behaviour, leading to purchase intentions (Y.-H. Chen & Barnes, 2007; Jones & Leonard, 2008; Yang, Lin, Natalyn, & Chao, 2015).
Benevolence and credibility are two main dimensions of trust (D. Gefen, 2002; Pavlou & Chai, 2002). Benevolence is defined as repeated seller-buyer relationships, while credibility is usually impersonal and relies on reputation information (Pavlou & Chai, 2002). In this research, we examine institution-based trust which is the level of trust that a consumer ascribes to a vendor or business. Following convention, we model trust an antecedent of consumer purchase intention. MacKnight et al. (Harrison McKnight, Choudhury, & Kacmar, 2002) define institution-based trust as “individual’s perceptions of the institutional environment”. Trust is based on the guarantees, safety and security of the environment created by the vendor’s place of business or e-commerce shop. Research shows (Dong-Hee Shin, 2010) that the social commerce environment itself also determines consumers’ trust. Consumers will be persuaded to purchase a product or service and perform social interaction when they trust a social commerce environment. There are many different social commerce apps today where consumers can complete purchases using their credit card on file. Many commerce transactions are occurring on Instagram, Facebook, Line, and many other sites whose primary market presence is social networking however purchases are available. Since the market is packet with buying alternatives, consumer trust in the vendor becomes even more necessary as a pre-cursor to consumer shopping, evaluations and purchasing decisions. Therefore, it is relevant to argue that consumers with higher institution-based trust in social commerce websites and applications have more intention to buy a product or service, as well as produce more social media word of mouth content to join discussions about the buying experience.

Social support as the results of positive valence and negative valence

Social media communication is a type of social interaction amongst consumers. Social support is defined as the social resources that are available or provided by non-professionals in the context of formal support groups and informal helping relationships (Gottlieb & Bergen, 2010). Past research has reported that social support is a multi-dimensional construct and consists of four main quadrants, namely emotional, instrumental, appraisal and informational constructs (Barrera, 1986; House, 1981; Van Den Akker-Scheek, Stevens, Spriensma, & Van Horn, 2004). The Internet, particularly social commerce platforms, has facilitated the emergence of social support, as reported by (Liang et al., 2011).

Worldwide, many young adult consumers sit in their apartments after work on their smartphone, and carry out their social life before or after dinner. Consumers check-in with brands and experiences that they have a long-term involvement with. This social interaction amongst like-minded people develops a social climate where peers support
each other, creating well-needed social support. Social support has been thoroughly investigated in psychology, sociology, health and business studies. With the emergence of Web 2.0 and social commerce, particularly social networking websites, social support features are now welcomed phenomenon in the study of information systems (Liang et al., 2011). A number of studies on social support in online community contexts (Eastin & LaRose, 2005; Z. Huang & Benyoucef, 2013; Obst & Stafurik, 2010; Shaw & Gant, 2002; Xie, 2008) have found that the social value that different consumer segments derive from online community platforms is very valued part of their leisure time. Foster close relationships and enhancing individuals’ well-being (Liang et al., 2011). For example, the themed webpage (i.e., trip-advisor review of lodging in Lopburi, Thailand) can afford past and current consumers the ability to share their experiences, and learn from others; often to prepare return engagements. Many studies demonstrate that social support is the primary social value obtained from the online communities that they frequent (K.-Y. Huang, Nambisan, & Uzuner, 2010; Liang & Turban, 2011; Obst & Stafurik, 2010; Shaw & Gant, 2002).

The warmth and good experience received during social interactions are welcomed and essential for consumers. Therefore, these interactions can produce positive or negative valence. Sometimes, statements in social media by consumers are positive which develop positive valence. Sometime, the statements are negative and discourage people to buy a product which in this case it is a negative valence. For many young people, many hours per day are spent shopping and socializing on their smartphones. Indeed this researcher finds it hard to find any young adults using public transit that are not engaged with their smartphone. Often people are commenting and contributing their experiences regarding branded experiences. The social connectedness consumers feel using different apps is important to them. Social support is reported to aid in fulfilling social needs, as individuals feel connected when constructive support is offered to them (Liang et al., 2011). In fact, consumers gaining social support from others online is mentioned as an important factor of successful online social interactions. (N. Park, Kee, & Valenzuela, 2009).

One advantage of online social support is to satisfy psychological needs (Maslow, 1954), fulfil social needs (Liang et al., 2011), reduce work and health stress (House, 1981), share information and gain knowledge (J. Chen, Xu, & Whinston, 2011) due to the social support gained from interaction in a collaborative online environment. Research suggests that social support positively influences users’ intentions to use social commerce and to continue using a social networking website (Liang et al. 2011) in form of positive or negative valence. Additionally, their findings show that social support as measured by informational and emotional support has a positive effect on relationship
quality, shedding light on the existing literature on website usage that focuses on design quality. As a result, the authors Liang et al. (2011) have shown that social factors, in this case social support constructs, play an important role in facilitating online commerce. The authors state that the role of social technologies, alongside the use of social support, results in the adoption of social commerce. Similarly in healthcare, research findings indicate that online communities can play an important role to facilitate goal attainment such as in an individual’s weight-loss efforts (Hwang et al., 2010). In work conducted by Klasnja and Pratt (2012), to promote healthy behavioural changes and effectively manage illness, a mobile health application was developed to promote social support. Many individuals benefit from online social interactions and support from themed medical support groups. Consumers similarly are expecting to be able to learn from other consumers as part of the buying channel experience.

Word of mouth

Online word of mouth (WOM) has been studied extensively in research and practice (C. M. K. Cheung & Thadani, 2012). With the popularity of social media and the proliferation of social commerce, electronic WOM (e-WOM) is no surprise again central to consumer behaviour. E-WOM is defined as any positive or negative statement made by potential, actual or former consumers about a product or company that is made available to a multitude of people via the Internet (Hennig-Thurau & Walsh, 2003). Many studies on e-WOM have shown that it has positive effects on consumers’ intentions regarding repurchasing branded products (Cermak, File, & Prince, 1994; Stauss, 1997; Wind & Rangaswamy, 2001; Yoo, Sanders, & Moon, 2013). The content of e-WOM is measured by its volume and quality, is an important factor influencing consumer purchase intentions (Amblee & Bui, 2011; C. M. Cheung, Xiao, & Liu, 2014; Duan, Gu, & Whinston, 2008; Goyette, Ricard, Bergeron, & Marticotte, 2010). E-WOM velocity is increasing and includes consumer use of blogs, search engines, Internet communities, social media, consumer review systems and instant messaging services to gather and disseminate product information (Chatterjee, 2001; Helm, 2000). Their interactions through WOM provide an enhanced source of knowledge to complement the information that e-vendors provide on their own websites (Amblee & Bui, 2011). In fact, C. C. Su and Chan (2017) predict that individuals who are engaged on social commerce websites, Facebook for instance, report higher bridging and social bonding among the community, which as discussed is linked with improved consumer shopping experiences and completed purchases.

Hypothesis development
The impact of trust on social media communication

Trust towards social commerce websites is an important construct of this research model. Trust is reported to be a critical component effecting online purchase intentions (H.-W. Kim, Chan, & Gupta, 2007). Trust in commerce is critical because consumers tend to make vendor and product evaluations and make to a large extent purchase decisions based on the advice provided by people they trust, and this dependency is carried forward to modern social networking websites. In fact, the popular Chinese online shopping site Taobao has been found to influence consumers’ trust in retailers through its forum features, which include consumer ratings, evaluations and advice (Guo, Wang, & Leskovec, 2011). At the same time, Ng (2013) asserts that social networking environments generally have an atmosphere of trust amongst individuals who act like friends. It is evident that when there is trust, the source of information is perceived as more reliable by users (Goh et al., 2013). Trustable referents in social networking communities are important because inexperienced customers tend to build their perceptions and opinions based on the opinions of people in their social surroundings (Qasim & Abu-Shanab, 2016). Trust is said to affect the perception of the usefulness of information received from a social networking website’s community (Ng, 2013). We therefore suggest that when there is trust in a social commerce platform (based on the quality of the information received), there is has a positive effect on the user-generated content. The content generated by users can be positive or negative. As trust is reported to be an asset rooted in social relationships (Kankanhalli, Tan, & Wei, 2005), the types of postings determine users’ level of acceptance of a social networking website. It means, when consumers trust in social commerce websites, they will have less negative statement about these platforms. Consequently, they will have positive statements on social commerce websites. We therefore argue that individuals’ trust in social commerce websites has a negative effect on negative valence and a positive effect on positive valence. This has been confirmed a research by Wang and Hernando (2019) that trust toward social commerce platforms encourage customers have interactions with peers which it positively influence positive valence and negatively influences negative valence. Thus, the following hypotheses are proposed:

**H1:** Trust in social commerce websites has a positive influence on social media content.

**H2:** Trust in social commerce websites has a negative influence on negative valence.

**H3:** Trust in social commerce websites has a positive influence on positive valence.
The impact of social media content on purchase intentions

On an online platform, the social interactions of individuals are engaged at every stage of consumers’ decision-making process (C. M. Cheung et al., 2014; Z. Huang & Benyoucef, 2013; S. Kim & Park, 2013; Lina Zhou, 2013). This is because these interactions produce valuable content for individuals to make timely and accurate decisions when making purchases. Additionally, the content generated online from various dimensions, which include recommendations, referral mechanisms, ratings and reviews, has been highlighted to strongly influence consumers’ behaviour and purchase decisions (Amblee & Bui, 2011). Research highlights the importance of encouraging customers participations on online brand communities (Ashley & Tuten, 2015). Research also indicates that engagement of customers in social media leads to purchase intention (Goh, Heng & Lin, 2013). From the perspective of this study, content includes both negative and positive valence and is hypothesized to shape users’ intentions to buy. Therefore, we propose the following hypothesis:

H4: Users’ content posted on social commerce websites increases effect on purchase intentions.

The impact of negative valence on purchase intentions

Negative valence comprises negative statements that are provided by individuals for a particular service or product on an online platform. Research has shown that negatively valenced information is weighted as more important than positively valenced information during consumers’ purchase evaluation and decision-making processes (C. M. K. Cheung & Thadani, 2012; C. Park & Lee, 2009). In fact, a study by Dellarocas, Zhang, and Awad (2007) asserts that the negatively valenced information from unsatisfied consumers highlights the weaknesses and potential problems of a product. This implies that consumers’ intentions to buy are affected by the negative valence provided by other individuals who have prior experience with a particular service or product. We therefore postulate the following hypothesis:

H5: Users’ negatively valenced information has a negative effect on purchase intentions.

The impact of positive valence on purchase intentions

Positive valence is defined as statements that are positively inclined in favour of consumers’ purchase intentions. For instance, Y. Wang and Yu (2015) report that positive valence is one of the main drivers for improving consumers’ purchase intentions in social commerce communities. Coherently, several other studies (Amblee & Bui, 2011; C. M.
Cheung et al., 2014) report similar findings, in which consumer reviews facilitate consumers’ purchase decisions. Additionally, it is said that the positive valence that comes from a satisfied customer influences the intention to buy, as the strengths and quality of a product are emphasized (Dellarocas et al., 2007). Following prior studies, we therefore postulate the following hypothesis:

**H6**: Users’ positive valence has a positive effect on purchase intentions.

**Methodology**

In this section, we explain the methodology of this research to test our proposed model.

**Sample**

Data was collected in Iran in 2017. People in Iran use social commerce websites and applications to seek information and to purchase products and services. Before we started with our data collection, we spent six months in Iran to understand the digital environment and consumers’ attention to social commerce websites and applications. With the support of two local academicians in urban Iran, we identified 33 social commerce websites, after which we performed a survey on 550 Iranians in the three developed and developing cities of Tehran, Karaj and Andisheh to identify the best and most active social commerce websites. The active social commerce websites identified in Iran by order were: DigiKala, Netbarg, Divar, Shypoor, Bamilo, Takhfifan, Kafe Bazr, Cinematik, Tehran Kala and Zanbil. With 139 instances of positive feedback, DigiKala was the most popular social commerce website selling different products in Iran. We listed these social commerce websites at the beginning of our main research questionnaire to make it a filter questionnaire. Therefore, our main study only considered participants who had used or had been influenced by the above-mentioned social commerce websites. We distributed paper and online questionnaires to different people. We sent out 1,000 questionnaires and received responses from 512 respondents. Table 1.0 shows the demographic information of the respondents involved in the survey.
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<tr>
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<th>Use of websites and applications</th>
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<td>17.8</td>
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<td>PhD</td>
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Data analysis

To test our proposed model, we used structural equation modelling with a partial least squares (PLS) approach. Scholars commonly use this method, and it has become a prominent approach in research (Sarstedt et al., 2014; Henseler et al., 2014). Gefen et al. (2000) argue that PLS is an appropriate methodology for testing a new theory, which was the case with this study. SmartPLS was the software used to analyse our data. We started our analysis with confirmatory factor analysis to report on our model’s validity and reliability and to test the hypotheses.

Confirmatory factor analysis

We started the data analysis by evaluating the measurement model’s quality, as illustrated in Table 2.0. The reliability test was passed, as our average variance extracted (AVE) was greater than 0.50 – a threshold of 0.50 is what leading scholars such as Chin (Wynne W Chin, 1998) suggest. Looking at composite reliability, our results show that they were all higher than 0.70, indicating the internal consistency of our results (Naylor, Lamberton, & West, 2012). Convergent validity was evaluated by factor loading. Our PLS analysis shows that all of the research constructs had values greater than 0.70. In addition, composite reliability (CR) was greater than 0.70; finally, the AVE values were higher than 0.50, showing that majority of the variance in our research was accounted for by our proposed model constructs. These are good signs of convergent validity (Naylor et al., 2012). These results are reported in Table 2.0.
To examine discriminant validity, we referred to Chin’s (Wynne W. Chin, 1998) statement that the square of the correlations among the constructs of the model should be lower than the corresponding AVEs. Table 3.0 shows the results of this test in our research.
Table 3.0 Discriminant validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Content</th>
<th>Negative valence</th>
<th>Positive valence</th>
<th>Purchase intentions</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content</td>
<td>0.803</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative valence</td>
<td>0.477</td>
<td>0.811</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive valence</td>
<td>0.614</td>
<td>0.426</td>
<td>0.779</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase intentions</td>
<td>0.253</td>
<td>0.220</td>
<td>0.381</td>
<td>0.890</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>0.467</td>
<td>0.284</td>
<td>0.594</td>
<td>0.441</td>
<td>0.737</td>
</tr>
</tbody>
</table>

Common method bias and multicollinearity

It was important for this research to reduce common method bias. Following Podsakoff et al. (2003), initially, our scales were adapted and improved by the expert in this research, followed by keeping independent and dependent variables separated in the questionnaire. We performed statistical analysis of this as well. Unrotated exploratory factor analysis showed that the factors explained 65% of the variance in our proposed model, rejecting the likelihood of one general factor (Chin, Thatcher & Wright, 2012). Finally, we looked at multicollinearity. All AVEs were higher than 0.5 and variance inflation factors fluctuated from 1.13 to 1.65, which were far below the common cut-off of 5 introduced by Hair et al. (2012).

Structural model

Using PLS, we analysed the structural model. All hypotheses are supported (Table 4.0). The R² results ranged from 0.11 to 0.36 (Figure 2.0). Our results show that the proposed model explained a portion of the variance in the endogenous variables (Hair et al., 2012). The research model explained 16% of the variance in purchase intentions.
5,000 bootstrap samples; # of cases = 200 = # of usable responses; and 300 iterations (Hair et al., 2012); *p<0.05, t = 1.96; **p<0.01, t = 2.56; ***p<0.001.

H1 postulated a positive relationship between trust and social media content and was significantly supported (β = 0.467***). The results indicate trust in social commerce websites has a negative influence on negative valence (β = 0.28; p<.001), so H2 was supported. Trust, as per H3, also significantly influenced positive valence (β = 0.594; p<.001). Our results do not support the relationship between social media content and purchase intentions; therefore, H4 was rejected. Similar results for H5 indicate that there was no relationship between negative valence and purchase intentions in our research. However, positive valence was significantly associated with purchase intentions, indicating support for H6 (β = 0.248; p<.001).
Table 4.0 Hypothesis tests

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>$\beta$</th>
<th>Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust → Social media content</td>
<td></td>
<td>0.467***</td>
<td>YES</td>
</tr>
<tr>
<td>Trust → Negative valence</td>
<td></td>
<td>0.284***</td>
<td>YES</td>
</tr>
<tr>
<td>Trust → Positive valence</td>
<td></td>
<td>0.594***</td>
<td>YES</td>
</tr>
<tr>
<td>Social media content → Purchase intentions</td>
<td>0.006</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Negative valence → Purchase intentions</td>
<td>0.069</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Positive valence → Purchase intentions</td>
<td>0.348***</td>
<td>YES</td>
<td></td>
</tr>
</tbody>
</table>

Discussion

Social commerce systems are becoming the online purchasing norm for many countries around the world. This research suggests that consumers in countries like Iran also appreciate the ability to read consumer product reviews as part of the purchase process. People in Iran are continually using social commerce websites and applications to buy products or to get information and knowledge and perspective about products and vendors. However, e-commerce scholars argue that online platforms are always risky for consumers to buy a product or share their information, knowledge and experiences about a product or service. Transaction risk is also a key factor effecting social commerce. We therefore examined the role and influence of trust in social commerce platforms, as we expect trust to reduce risk concerns. Limited research examines the role institution-based trust in social commerce platforms, and we expect social commerce platforms to be significantly different from e-commerce channels that do not provide eWOM and social support amongst customers as they discuss their steps purchasing lifecycle. In particular for little-understood markets such as Iran. Therefore, this research proposed a model to examine the impact of institution-based trust in social commerce platforms in Iran to explore the influence of trust on social media communication and purchase intentions.

Our results show that institution-based trust, which is the trust of consumers in social commerce environments, influences social media communication, which in turn increase purchase intentions. Institution-based trust develops the social interactions of consumers on social commerce websites, which in return persuades more consumers to purchase through positive valence. The social media communication and social interaction develop a form of social support. The results from our Iranian participants indicate that when consumers have institution-based trust in an
environment, they are more likely to perform social interactions with other consumers and to offer social support (informational support and emotional support). Our results show that the supportive climate of Iranian social commerce platforms develops purchase intentions on the platforms. Our results also show that negative valence and social media content have no influence on purchase intentions in Iran, perhaps due to the cultural setting. One possible reason can be that people in this setting pay less attention to the content of social media. Based on our results, we can argue that trust in social commerce websites influences the purchase intentions of Iranians, indicating the importance of institution-based trust. Having a more trustworthy environment can create a more supportive environment and can lead more consumers to have social interactions with their peers. These social interactions can be ratings, reviews, recommendations or referrals.

**Theoretical and practical implications**

Our proposed model and theoretical framework provide good contributions to the social commerce research stream. In terms of theory, this research explains how institution-based trust influences consumers’ decision-making in a social commerce context. Previous research has only considered social factors in consumers’ decision-making processes, but this research explains how institution-based trust affects social media communication as a form of e-WOM leading to purchase intentions. The second theoretical contribution of this paper is that our research focused on the social interactions of consumers, as social commerce is characterized by consumers’ direct and indirect interactions. In addition, this research focused on positive valence and how it influences purchase intentions. While negative valence has no influence on purchase intentions based on our results, positive valence influences purchase intentions.

This research also makes some practical contributions. As there is little research on institution-based trust in a social commerce context, this research makes a significant practical contribution regarding how institution-based trust and building trust in social commerce environments can attract more consumers to have social interactions, leading to purchase intentions. Our results suggest that as institution-based trust is an important element of sharing commerce and social commerce, the managers of social commerce platforms need to create an environment that consumers can trust and where they can have more interactions. Given the considerable influence of positive valence on purchase intentions, managers need to carefully understand how to manage positive WOM and how to persuade more consumers to share their positive experiences with their peers. Furthermore, with no academic evidence about the Iranian market, this research provides a picture of the Iranian social commerce environment and how trust in this environment shapes
Iranian consumers’ behaviour. A practical implication of our findings is that developing trust in a social commerce environment (such as online communities or websites) can persuade consumers to interact online via social media communication, leading to purchase intentions in the little-understood market of Iran.

**Limitations and future research directions**

Like many other studies, this research had a few limitations that could indicate directions for future research. This research examined our model in Iran. Iran has infrastructure issues with e-banking, which limit e-commerce activities in this country. A new study could test this model in other countries. Mobile payment is another issue in Iran, as it is not developed and this affects consumers’ use of social commerce applications. In addition, we collected data from three main cities in Iran. Having more data from different parts of this country might produce different results. Moreover, according to our results, social media content has no influence on purchase intentions. Testing this model in another setting might produce different results; a comparative study could illustrate the effect of cultural differences on the results. Another limitation we had in this research was the nature of Iranian consumers. It is difficult to attract consumers in Iran to participate in a survey, and pushing them to take a survey results in them not reading the questions well.

**Conclusion**

Consumers are increasingly using social commerce platforms, and more research is considering consumer behaviour on social networking websites. However, less research investigates emerging markets such as Iran, where people are also increasingly using social commerce platforms. Therefore, this study developed a research model based on institution-based trust and e-WOM to examine how trust in social commerce platforms develops e-WOM and thus purchase intentions. With data from Iran, we have contributed to theory and practice by explaining these relationships. As such, we found that institution-based trust influences social media communication and positive valence, in particular affecting purchase intentions on social commerce platforms. The results of our PLS analysis with 512 data samples from Iranian social commerce users indicate that trust in a social commerce environment persuades more consumers to engage in social media communication. Social media communication with social support creates a social climate where consumers use e-WOM for their purchase journeys. Developing social commerce research with a trust and e-WOM lens theoretically contributes to this stream and opens new research directions on the current debates.
about sharing commerce and the sharing economy. Finally, little is known about emerging markets such as Iran, and this research’s theoretical framework provides practical knowledge to firms targeting the Iranian market.

References:


Utz, S. (2015). The function of self-disclosure on social network sites: Not only intimate, but also positive and entertaining self-disclosures increase the feeling of connection. *Computers in Human Behavior, 45.*


# Appendix A. Measure and Items

<table>
<thead>
<tr>
<th>Construct</th>
<th>Coding and Items</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust towards Social Commerce Sites</td>
<td>I believe my favorite social commerce site have enough safeguards to make me feel comfortable using it. I feel assured that legal and technological structures adequately protect me from problems on my favorite social commerce site. I feel confident that encryption and other technological advances on my favorite social commerce site make it safe for me to use. In general, my favorite social commerce site provides robust and safe environment to share private information.</td>
<td>McKnight et al. (2002)</td>
</tr>
</tbody>
</table>
| Social Media Communication | **Positive Valence** I recommend my favorite social commerce site to others. I have spoken favorably of my favorite social commerce site to others. I speak of my favorite social commerce site’s good sides to others. I strongly recommend people buy products online from my favorite social commerce site.  
**Negative valence** I mostly say negative things to others on my favorite social commerce site. I have spoken unflatteringly of e-vendors to others on my favorite social commerce site.  
**Social Media Content** On my favorite social commerce site, I discuss with others about……  
- the quality of the product offer  
- the variety of the product offer  
- the user-friendliness  
- the security of transactions | Goyette et al. (2010) |
| Purchase Intention | I am likely to provide my personal information to purchase on social commerce sites. I plan to provide my personal information for purchasing on social commerce sites. I intend to provide my personal information for purchasing on social commerce sites. | Noh et al. (2013); Sharma & Crossler (2014) |