

# **SOCIAL COMMERCE PLATFORMS: ONLINE TRUST, PERCEIVED RISK, AND PURCHASE INTENTIONS IN THE DECISION-MAKING PROCESS OF CONSUMERS**

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**Abstract:** This research contributes to the existing body of knowledge concerning the impact of perceived risk and trust in online environments on consumers' decision-making in social commerce. The objective of this article is to analyze the decision-making process of consumers in social commerce, exploring the factors influencing purchase intentions and attitudes in this context. The study delves into the influence of perceived risk on a consumer's inclination to engage in online shopping and examines consumer behavior when making purchases on e-commerce platforms.

Our research enhances the current understanding of the factors shaping consumer attitudes and intentions towards online purchases. We explore their perceptions of shopping risks, repurchase behavior, and the dynamics of online trust and decision-making. A limited amount of research has focused on how consumers utilize social commerce platforms to inform their decisions, considering immediate pleasure, behavioral objectives, and attitudes in the purchasing process. By emphasizing the interplay between online consumer purchase intentions, social media adoption behavior, and the impact of trust and risk factors on online buying decisions, our study addresses this gap and extends previous research.

The findings from our study suggest avenues for further exploration into the psychological factors influencing consumers' use of social media, the evaluation processes for pricing, the types of perceived risks associated with online purchases, and the intentions and behaviors related to repurchasing on social commerce platforms. The subsequent instructions aim to clarify whether the use of mobile payment services can influence impulsive purchasing and decision-making among internet shoppers, especially when influenced by online product evaluations.

**Keywords:** Social Commerce Platforms, Perceived Risk

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## **1.0 Introduction:**

Our study contributes to the existing body of knowledge by highlighting the role of dynamic performances in shaping consumers' decisions, as established by Hollowell et al. (2019) and Popescu and Westbrook et al. (2019). Despite this, there is a need for a deeper understanding of the factors influencing social commerce intention and online consumer choice behavior, as emphasized by Kovacova et al. (2019) and Tuyls and Pera (2019). Our focus is specifically on the predictive aspects of the antecedents of trust in social commerce, with a particular emphasis on exploring how social experience and the accuracy of information impact consumer purchasing decisions.

Our research addresses a gap in the literature by providing insights into consumers' evaluation, commitment, and choice during online decision-making processes. We emphasize cognitive processing behaviors and the influence of expectations on pre-purchase and post-purchase satisfaction. Importantly, our study relies on exclusively empirical sources published in reputable journals indexed in Web of Science and Scopus between 2017 and 2019

to ensure the reliability and currency of our findings.

## **2.0 The Mechanisms Of Social Commerce That Build Trust**

Guo et al. (2018) emphasize that trust and users' risk perceptions play pivotal roles in the ascendance of social commerce. Hall et al. (2017) propose the utilization of social media to integrate consistent customer viewpoints into the decision-making process. Abed (2018) underscores the significance of trust and social influence in potentially altering an individual's inclination to engage in social commerce. Jeon et al. (2017) establish a significant link between perceived website interactivity and repurchase intention, further fortified by utilitarian value and online trust.

Hansen et al. (2018) contend that perceived risk and trust are critical antecedents in end-user decision-making, with risk-taking propensity directly impacting behavioral intention. Moody et al. (2017) highlight the impact of trust and insecurity on online interactions involving electronic transactions. Ozturk et al. (2017) reveal a correlation between loyalty and perceived risk and trust. Fu et al. (2018) assert that customers' perceptions of utility, contentment, and trust transfer are significantly influenced by both internal and external similarity, thereby shaping their purchasing behaviors. Xu-Priour et al. (2017) establish a positive correlation between social connection and trust with the desire to make online purchases. Pratono (2018) suggests that Internet merchants can enhance pricing and selling capacities through faith in social commerce, positively impacting performance. Pantano and Gandini (2017) describe the retail industry's adoption of interactive, cutting-edge technologies, relying on sophisticated connections and ubiquitous, contactless systems to enhance customer purchasing behaviors.

Oliveira et al. (2017) emphasize that online merchants must understand how customers perceive honesty, skill, and kindness to maximize total customer confidence. Kim and Peterson (2017) underscore the consolidation of confidence-related outcomes facilitated by online trust, incorporating elements like reliability, predictability, ability, friendliness, and dependability. Molinillo et al. (2017) highlight the positive influence of emotive and cognitive shopping behaviors on satisfaction, with affective shopping practices also positively impacting trust. Mou et al. (2017) identify perceived utility and trust as crucial factors in the initial and ongoing stages of end-user adoption of online services.

Wongkitrungrueng and Assarut (2018) discuss how customer involvement is directly and indirectly impacted by symbolic value due to confidence in online businesses. Yahia et al. (2018) stress that trust is determined by reputation and price advantage, although habits may mitigate these effects. Mou and Shin (2018) assert that social popularity is influenced by end consumers' perceptions of the worth and quality of products. Lien et al. (2017) reveals a negative correlation between internet merchants' mistrust of social commerce platforms and their anxious attachment, while relational embeddedness has a positive effect on online sellers' confidence in social media platforms.

Choi and Lee (2017) highlight that online product reviews in closed social network services have a greater impact on users' cognitive and emotional trust than reviews in open social network services. Lopez-Miguens and Vázquez (2017) emphasize that switching barriers, satisfaction, and trust directly influence loyalty in social commerce, with loyalty stemming from trust, and satisfaction acting as a mediator. Cherrett et al. (2017) underscore that the absence of face-to-face interaction facilitates online purchasing behavior, raising significant transactional concerns related to trust, delivery cost, responsibility, and speed. Fazal-e-Hasan et al. (2018) suggest that objective accomplishment does not alter the effect of anticipation on customer emotional commitment but positively enhances the relationship between expectation, end-user contentment, and trust.

Wu W. Y. et al. (2017) note that functionalities, financial security, personalization, and visual appeal all influence how customers perceive a website and the trust they place in it. Rubio et al. (2017) assert that online sellers must prioritize end users' loyalty and trust in the face of increased competition and lowered costs of change.

Liu et al. (2018) conclude that consumer engagement is positively influenced by end-user-to-end-user and end-user-to-marketer trust, affecting brand trust. The use of gadgets amplifies the impact of customer interaction on brand trust.

### **3.0 Intentions of Consumer Purchases in Social Commerce**

Mou et al. (2017) underscore the significance of end-user trust beliefs as a major determinant in the adoption of e-services. Chong et al. (2018) notes that customers' perceptions of the efficacy of institutional procedures negatively moderate online confidence in merchants and repurchase intentions. Rahman et al. (2018) highlight that utilitarian values exert a more positive influence on consumers' attitudes toward online buying compared to hedonic values, confidence, and privacy concerns.

Yang et al. (2017) identify mobility, confidence in the service provider, and security/privacy risk as key factors influencing the adoption of social commerce. Walsh et al. (2017) emphasize that a positive reputation of an online seller can reduce end users' risk, build trust, and encourage customer commitment. Zhang et al. (2018) demonstrate that consumer empowerment influences satisfaction, trust, and the inclination to make a purchase.

Bahbouhi and Moussa (2017) point out that online conversations involving strangers lack reliance on past behaviors, making it challenging to establish mutual confidence. Hajli et al. (2017a) establish a positive correlation between customer loyalty and an increase in trust, commitment, and satisfaction. Oliveira et al. (2017) discuss how customer trust is influenced by factors such as the knowledge, moral character, and friendliness of an online retailer, impacting overall trust and the propensity to make an online purchase. Bashir et al. (2018) reveal that end consumers' perceptions of financial risk influence their desire to make a purchase and their level of online confidence in web shops. Mou and Cohen (2017) emphasize that confidence in the online service provider influences faith in the Internet retailer's website in both the first and later stages, affecting how the system and information are interpreted. Cao et al. (2018) highlight that transferring trust positively affects the intention of social commerce to continue via satisfaction.

Zhang and Curley (2018) explore the impact of explanation method and availability on consumers' trust beliefs in an online recommender agent and their willingness to follow its recommendations. Escobar-Rodríguez and Bonsón Fernández (2017) identify time savings and perceived security as main factors influencing perceived value and trust, while perceived value, creativity, and trust contribute to online purchase intention. Qin (2017) asserts that trust, comprising features of knowledge, honesty, and compassion, influences customers' inclination to adopt social commerce. Liu and Guo (2017) discuss how universal access and knowledge can influence purchase intention through social benefit, although they are ineffective in directly influencing trust. Bianchi et al. (2017) emphasize that trust can lead to positive views towards social commerce, influencing people's intentions to engage in online shopping.

Vohra and Bhardwaj (2019) state that trust plays a role in connecting engagement and dynamic involvement. Shareef et al. (2018) note that trust and operational effectiveness may impact customers' desire to make an online purchase. Sisson (2017) highlights the connections between networking strategies, positivism, and aspects of trust in restoring integrity. Bebbler et al. (2017) identify data quality, lack of confidence, and perceived risk as antecedents of online purchase intention. Robinson (2017) suggests that marketers can influence customers' decision-making processes by offering benefits, fostering trust, and lowering perceived risks.

Gibreel et al. (2018) emphasize that buyers' perceptions of social commerce platforms' ease are positively impacted by familiarity and trust, facilitating communication between suppliers and end users. Pappas (2018) argues that a combination of factors, including experience, emotional states, privacy concerns, and trust towards online businesses, might predict consumers' purchase intentions. Pee et al. (2018) finds that website usability influences both initial purchase intention and repurchase intention over time. Malhotra et al. (2017) note that perceived structural certainty functions as a method for fostering trust, lessening the negative effects of online customers breaking their psychological contracts.

### **4.0 Impact of Perceived Risk On Intent To Purchase In Social Commerce**

Wu J. et al. (2017) emphasize the pivotal role of trust in consumer purchase intention when making transactions on peer-to-peer temporary rental platforms where hosts and renters are strangers. Xie et al. (2017) highlights the negative impact of perceived risk on perceived behavior control, while trust positively influences social norms. Li (2019) identifies social presence, proximity, and informational reinforcement as factors influencing consumers' intentions to trust product testimonials. Sharma et al. (2019) asserts that customers' trust, linked to their online trust in businesses, significantly influences their engagement in social commerce. Izogo and Jayawardhena (2018)

illustrate how trust in online commerce is strengthened by moral correctness, dependability, and a stellar reputation. Chen et al. (2017) suggest that merchants can build relational capital with buyers by fostering mutual respect, collaboration, and trust.

Bleier et al. (2019) demonstrate that the type and brand reliability of a produced item impacts how each experiential feature influences end consumers' decisions to buy. Sullivan and Kim (2018) highlight the influence of perceived value on consumers' perceptions of online trust and their propensity to make more purchases from the same website. Sullivan and Kim (2018) further emphasize the critical role of trust, social commerce adoption, and product evaluation factors in determining repurchase intention. Bashir et al. (2018) posit that web merchants use online trust as a mediating factor in the relationship between perceived financial risk and purchase intention.

Online end customers' trust in online merchants is closely tied to their perception of financial risk, influencing their propensity to purchase online. Choi et al. (2018) stress that managing shopping risk is essential for retail success, with risk affecting how people perceive value and decide where to make their next purchase. Martin (2018) emphasizes the strong correlation between end-user surveys and respect for privacy, highlighting the importance of maintaining trust by avoiding the misuse of information. Han and Kim (2017) show that regardless of the degree of product engagement, financial risk has a positive correlation with end users' purchase intention and trust, whereas product and social/psychological risks have a detrimental correlation.

Oliveira et al. (2017) emphasize the crucial role of trust in influencing customers' intentions to make purchases. Hajli et al. (2017b) highlight the significance of trust in social commerce platforms and online buying environments due to the importance of peer-generated content. Liu et al. (2017) point out that trust in social commerce websites affects the relationship between product appeal and purchase intention. Akman and Mishra (2017) demonstrate the positive correlation between consumer intention and perceived trust, social pressure, satisfaction, and awareness of the adoption of social commerce. Hsu et al. (2018) note the increasing prevalence of online purchasing in social commerce due to the growth of social media applications. In this context, trust significantly impacts commitment, enhancing the relationship between satisfaction and purchase intention.

## 5.0 Conclusion

The empirical evidence we analyzed supports the notion that the correlation between perceived risk and online trust should be considered when assessing the purchasing intentions of social media platform users. Limited research has explored how customers utilize social commerce platforms to make decisions, specifically investigating the impact of immediate gratification, behavioral objectives, and perceptions of products and services on their online purchases.

Our study addresses this gap and builds upon prior research by focusing on the interplay among online consumer purchase intention, social commerce adoption behavior, trust, and risk factors influencing online buying decisions. We consider source credibility characteristics in this relationship. Despite the constraints of our study, the results underscore significant avenues for future exploration, including the psychological factors shaping consumers' use of social media, the evaluation processes for pricing, the types of perceived risks, and the intentions and behaviors associated with repurchasing on social commerce platforms.

It is essential to specify in subsequent instructions whether the adoption of mobile payment systems might impact impulsive purchasing behavior and decision-making among online consumers, particularly when influenced by online product evaluations.

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