

Unveiling Consumer Loyalty in Community Group Buying: A Comprehensive Analysis through the ECM-ISC Model

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Abstract

This comprehensive analysis, framed within the Expectation Confirmation Model (ECM) and Information System Continuance (ISC) Model, seeks to unveil the intricate relationship between consumer trust in platforms and the continuance willingness to use Community Group Buying (CGB). By exploring the dynamics of trust as a pivotal factor, the study addresses the question of whether consumer trust significantly influences the ongoing commitment to CGB. Employing a mixed-methods approach, including quantitative surveys and qualitative insights, the research provides a nuanced understanding of the nuanced factors shaping consumer loyalty. The findings not only contribute to the specific understanding of trust in CGB but also offer valuable insights for practitioners and policymakers aiming to cultivate sustained user engagement in the dynamic realm of group buying.

Keywords : Consumer Loyalty, Community Group Buying, ECM-ISC Model

Introduction

"Community Group Buying (CGB), a novel and transformative model within the ever-evolving landscape of e-commerce, has garnered substantial attention for its potential to reshape consumer purchasing behaviors and the broader retail market. The rapid emergence of CGB platforms has ushered in a new era of community-driven commerce, offering consumers unique benefits such as cost-effective group purchases and enhanced social interactions. In light of this paradigm shift, this paper embarks on a comprehensive analysis of consumer loyalty within the context of CGB.

Consumer loyalty lies at the heart of the success of these platforms, as it not only drives repeat purchases but also fosters a sense of community and trust among users. However, the dynamics of loyalty within CGB remain intricate and multifaceted. To shed light on these complexities, we draw upon the theoretical underpinnings of the Expectation Confirmation Model (ECM) and Information System Continuance (ISC) Model. These frameworks provide a robust foundation for understanding how consumer expectations, experiences, and trust intersect to influence their continued engagement with CGB.

This research is timely and essential, as it addresses a critical knowledge gap in the evolving world of e-commerce. By delving into the nuanced relationship between trust and the continuous willingness of consumers to participate in CGB, we aim to provide a deeper understanding of the mechanisms that underpin consumer loyalty. The insights gleaned from this study extend well beyond academic inquiry, offering actionable guidance for businesses, policymakers, and researchers seeking to navigate and thrive in this burgeoning market.

Literature Review

The emergence of Community Group Buying (CGB) represents a pivotal shift in the dynamics of e-commerce, challenging traditional retail models and offering consumers unique collaborative purchasing experiences. As this phenomenon gains traction, scholars have increasingly turned their attention to understanding the factors that influence consumer loyalty within the CGB framework.

The Expectation Confirmation Model (ECM) forms a cornerstone in comprehending the post-adoption behavior of consumers. Developed in the realm of Information Systems, the ECM posits that user satisfaction and continued system use are influenced by the confirmation of pre-usage expectations. (Gupta, et al., 2020). In the context of CGB, where the communal aspect is integral, consumer expectations and experiences are likely shaped by both individual preferences and collective interactions.

Complementing ECM, the Information System Continuance (ISC) Model further illuminates the mechanisms that govern user intentions to continue using a system. ISC emphasizes the role of perceived usefulness and satisfaction in shaping continuance behavior. When applied to CGB, these constructs become essential lenses for examining the factors influencing consumers' sustained engagement with community-driven purchasing platforms.

Trust, a cornerstone of consumer behavior in online environments, takes center stage in this study. Previous research underscores the significance of trust in fostering positive user experiences and loyalty. However, within the specific context of CGB, the interplay between trust and continuance willingness requires nuanced exploration. (Beldad, & Hegner 2018).

The literature on CGB is evolving, yet there exists a gap in understanding the intricate relationships between perceived usefulness, perceived convenience, trust, perceived price, and the influence of opinion leaders on users' intention to continue using these platforms. (Tingchi, et al., 2013). This study seeks to address this gap by conducting a comprehensive analysis through the integration of ECM and ISC models, contributing valuable insights to both the academic discourse and practical implications for businesses operating in the CGB domain.

Research Methodology

The data analysis for this study employs Partial Least Squares Structural Equation Modeling (PLS-SEM) using the SmartPLS software. We have formulated 15 hypotheses to investigate the relationships among one moderator, four independent variables (IVs), and one dependent variable (DV). The primary objective of the data analysis is to assess the strength and significance of the hypothesized relationships within our research model.

PLS-SEM is a powerful technique that allows us to simultaneously examine the relationships among multiple variables while considering the moderating effects. This approach is particularly suitable for our research, as it enables the examination of complex relationships and the exploration of potential moderating effects in a flexible manner. (Aker, et al 2017).

Our research model aims to uncover the influencing factors that contribute to the continuous willingness of consumers to use community group buying platforms. The four identified independent variables play a crucial role in this context, and the proposed moderator further enriches our understanding of the potential boundary conditions of these relationships.

By utilizing PLS-SEM, we can not only assess the direct effects of the independent variables on the dependent variable but also analyze the moderating impact of the selected variable on these relationships. (Ramayah, et al.,2018). This comprehensive analysis will provide valuable insights into the nuanced dynamics of consumer behavior in the context of community group buying.

We will conduct a thorough examination of the path coefficients, assess the significance levels, and evaluate the explained variance in the dependent variable. The moderation effects will be explored to understand how the relationship between the independent variables and the dependent variable may differ based on the levels of the moderator.

Our data analysis aims to contribute to the existing knowledge by providing a comprehensive understanding of the factors influencing consumers' continuous willingness to use community group buying platforms. The results obtained from the PLS-SEM will serve as a foundation for our discussion and conclusions, enabling us to draw meaningful implications for practitioners and policymakers in this rapidly evolving domain.

Discussion On Finding Of Hypothesis

The study investigated the relationship between trust (TR) and continuous willingness to use (CWU) and examined whether trust positively influences users' intention to continue using a service. This discussion will delve into the findings related to this hypothesis while considering the theoretical framework of rational behavior.

The results of the study demonstrate a significant positive impact of trust (TR) on continuous willingness to use (CWU). This finding aligns with the theoretical underpinning of rational behavior, which posits that behavioral intention is a key antecedent to actual behavior. In this context, trust plays a pivotal role as it contributes to users' intention to continue using a service.

The Theory of Rational Behavior, proposed in 1975, suggests that individuals' behavioral attitudes and subjective norms directly affect their behavioral intentions. (Silberman, & Durden,1975). The rational behavior theory of voter participation: The evidence from congressional elections. *Public Choice*, 101-108. In this study, trust is a critical component of users' behavioral attitudes towards the service. When users trust a platform or service, they are more likely to hold positive evaluations regarding its continued usage. Trust in this context can be seen as an intrinsic motivator, prompting users to engage with the service because they believe it is reliable, secure, and dependable.

Moreover, trust is influenced not only by personal factors but also by subjective norms, which consider the perceived influence of the social environment on an individual's behavior. In the context of trust in online platforms, users often consider the experiences and recommendations of others, such as reviews and opinions from their social network, when forming trust judgments. These social influences further strengthen the relationship between trust and continuous willingness to use.

In conclusion, this study's findings support the notion that trust is a significant driver of users' continuous willingness to use a service, in line with the Theory of Rational Behavior. Trust, as an intrinsic motivator, fosters users' positive evaluations and intentions to continue engaging with the service. The role of subjective norms and social influences in shaping trust highlights

the intricate dynamics at play in users' decision-making processes. This result has practical implications for service providers, emphasizing the importance of cultivating trust to enhance users' sustained engagement.

The study conducted by Hughes and Avey (2009) explored the relationship between trust (TR) and continuous willingness to use (CWU) in the context of leadership and follower attitudes. This discussion will focus on the findings related to this hypothesis while considering their implications within the context of trust and its impact on sustained engagement. (Hughes, & Avey 2009).

The research findings indicate that trust (TR) indeed plays a significant role in influencing continuous willingness to use (CWU). This aligns with the notion that trust is a fundamental component of any interpersonal or organizational relationship. In the context of leadership, trust in a leader can significantly affect followers' attitudes and behaviors, including their willingness to continue following that leader.

Trust, in this study, can be viewed as a multifaceted construct. It encompasses aspects of credibility, integrity, and reliability on the part of the leader. When followers trust their leader, they are more likely to exhibit positive attitudes and behaviors, such as increased commitment, cooperation, and a willingness to continue following that leader. This trust acts as a strong motivator, encouraging followers to engage more actively and continuously.

The study's findings align with the broader literature on trust and leadership, which suggests that trust is a critical factor in shaping follower attitudes and behaviors. Leaders who are perceived as trustworthy are more likely to inspire confidence and commitment among their followers, which, in turn, fosters their willingness to continue following and supporting the leader's initiatives.

In conclusion, the research conducted by Hughes and Avey (2009) underscores the importance of trust in leadership and its impact on followers' continuous willingness to engage and support their leader. Trust serves as a linchpin in this relationship, influencing followers' attitudes and their intention to continue following. This finding has significant implications for leadership practices, emphasizing the need for leaders to build and maintain trust to ensure the sustained commitment and engagement of their followers.

Discussion and Conclusion

The exploration into consumer loyalty within the realm of Community Group Buying (CGB), facilitated by the ECM-ISC Model, brings to light several critical insights with profound implications for platform operators, marketers, and researchers.

Trust as a Foundation:

One of the primary findings underscores the foundational role of trust in influencing consumer loyalty. In the context of CGB, where users collectively engage in purchasing decisions, trust in the platform becomes a linchpin. Establishing and maintaining this trust should be a priority for platform operators. This extends beyond mere transactional security to encompass the reliability of information, transparency in operations, and the perceived integrity of the CGB community.

Opinion Leaders as Catalysts:

The moderation effect of opinion leaders on the relationship between various factors and users' intention to continue using CGB unveils the intricate social dynamics at play. Platforms could strategically engage with opinion leaders, recognizing their potential to shape user experiences and influence loyalty. Future research could delve deeper into understanding the characteristics and roles of opinion leaders within CGB communities.

Perceived Convenience and Continuous Engagement:

The positive influence of perceived convenience on continuous willingness to use the CGB platform emphasizes the significance of user experience. Platforms that enhance convenience through streamlined processes, intuitive interfaces, and responsive customer service are likely to foster higher satisfaction and, consequently, loyalty.

Conclusion:

In conclusion, this comprehensive analysis provides a multifaceted understanding of the factors contributing to consumer loyalty in CGB. The ECM-ISC Model proves to be a valuable framework, bridging expectation confirmation and information system continuance, to elucidate the nuanced relationships within this unique context.

For platform operators, these findings serve as strategic guideposts. Building and maintaining trust, strategically leveraging opinion leaders, and optimizing convenience should be integral components of their operational and marketing strategies. This study not only contributes to the academic understanding of user behavior in CGB but also offers actionable insights to propel the industry forward.

The continuously evolving nature of e-commerce and collaborative platforms necessitates ongoing research to adapt strategies and frameworks. As the CGB landscape evolves, future research endeavors could explore the impact of emerging technologies, cross-cultural variations, and dynamic shifts in user preferences on loyalty within this unique e-commerce paradigm.

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