The Effect of Social Media on Affective Trust in Customer-Supplier Relationships

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Goal of the study

- Understanding the process of trust building towards a SME based on its web presence
  - Perception based on first impression
  - Role of the traditional websites vs. social media in trust building
Trust

- The belief that the trustee will behave according to our expectation
- Key issue in human relationships
  - Virtual teams [Rusman et al., 2010, Hung et al., 2004, Al-Ani et al., 2009]
  - E-commerce [Büttner and Göritz, 2008, Riegelsberger et al., 2003]
- Needs to be established as soon as possible
  - Importance of first impression and information provision on the trustee [Schumann et al., 2012]
Trust Antecedents

**INTEGRITY**
The intrinsic moral norms a trustee guard his action with

**BENEVOLENCE**
The perceived level of courtesy and positive attitude

**ABILITY**
Capability of a trustee (based on knowledge, competence and skills) to perform tasks within a specific domain

**PREDICTABILITY**
(Mckinley et al., 1998)
The degree to which a person meets the expectation of the trustor in terms of predictability and consistence of behavior

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**Extending the model**

**Tripod Model**
(Mayer et al., 1995)
Bidimensional model

- **Cognitive Trust**: ‘cognition-based trust results from deliberate assessment of other’s characteristics and the process of weighting benefits of trusting over risks’

- **Affective Trust**: ‘affect-based trust involves one’s emotional bonds and sincere concern for the well being of the others’
Trust Model

**Cognitive Trust**
(Schumann et al., 2012)

- **PREDICTABILITY**
  The degree to which a person meets the expectation of the trustor in terms of predictability and consistence of behavior

- **ABILITY**
  Capability of a trustee (based on knowledge, competence and skills) to perform tasks within a specific domain

- **INTEGRITY**
  The intrinsic moral norms a trustee guard his action with

- **BENEVOLENCE**
  The perceived level of courtesy and positive attitude

**Affective Trust**
(Schumann et al., 2012)
Research Hypothesis

- H1- Traditional websites (content-oriented) and social media (interaction-oriented) have a different effect on trust building in customer-supplier relationships.
  - H1a – As compared to traditional websites, social media enhance affective trust building in customer-supplier relationships.
  - H1b – As compared to social media, traditional websites enhance cognitive trust building in customer-supplier relationships.
Assessing the perceived trustworthiness

- Questionnaire based on Likert scale (1 to 5)
  - integrates guidelines provided by previous studies about trust elicitation and perception based on first impression [Büttner and Göritz, 2008; Rusman et al., 2010]
- 21 Questions related to the antecedents
  - Cognitive trust: 7 items for ability and 3 for predictability
  - Affective trust: 11 items for benevolence
  - We do not assess Integrity as it is peculiar of long-term relationships [Schumann et al., 2012; Rusman et al., 2010]
Assessing the perceived trustworthiness

- Self reporting about perceived trustworthiness
  - Which company do you perceive as the more reliable? Why
  - Which company would you choose for the catering service? Why?
  - Which company seems to be more concerned about the wellbeing and needs of its customers?
  - ...

- Final (exit) discussion between participants and experimenter
Study design

<table>
<thead>
<tr>
<th></th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional Website</td>
<td>Group 1</td>
<td>Group 2</td>
</tr>
<tr>
<td>Social Media</td>
<td>Group 2</td>
<td>Group 1</td>
</tr>
</tbody>
</table>

- **Dependent variables**
  - Cognitive trust
  - Affective trust

- **Catering scenario**
  - Involves social aspects
Procedure

- 19 students from M.Sc. Course in CS
  - 16 males
  - 25 years old (avg)
  - Facebook users on a daily basis
  - They often use the Internet for their purchases
Combined effect of factors on Cognitive Trust
Combined effect of factors on Affective Trust
ANOVA on affective trust for the two companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Effect of Web Mode</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
</tr>
<tr>
<td>A</td>
<td>1.211</td>
</tr>
<tr>
<td>B</td>
<td>22.152</td>
</tr>
</tbody>
</table>

- Need for controlling the equivalence of information elements for the two companies in the two web settings in future replications of the study
## Replication of the study

<table>
<thead>
<tr>
<th></th>
<th>Dependent Variable (TRUST)</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Web Mode</strong></td>
<td>Cognitive</td>
<td>0.003</td>
<td>0.954</td>
</tr>
<tr>
<td></td>
<td>Affective</td>
<td>7.263</td>
<td>0.009</td>
</tr>
<tr>
<td><strong>Company</strong></td>
<td>Cognitive</td>
<td>1.52</td>
<td>0.221</td>
</tr>
<tr>
<td></td>
<td>Affective</td>
<td>0.287</td>
<td>0.594</td>
</tr>
<tr>
<td><strong>Web Mode * Company</strong></td>
<td>Cognitive</td>
<td>0.982</td>
<td>0.325</td>
</tr>
<tr>
<td></td>
<td>Affective</td>
<td>2.797</td>
<td>0.098</td>
</tr>
</tbody>
</table>

- 44 participants
  - Computer Science master courses and the undergraduate degree in Physics
  - 66% male
  - 24 as average age

<table>
<thead>
<tr>
<th></th>
<th>Affective</th>
<th>Website</th>
<th>Social Media</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Company A</strong></td>
<td>Company A</td>
<td>3.65</td>
<td>3.79</td>
</tr>
<tr>
<td><strong>Company B</strong></td>
<td>Company B</td>
<td>3.36</td>
<td>3.83</td>
</tr>
</tbody>
</table>
ANALYSIS OF SELF REPORTING QUESTIONNAIRES AND INTERVIEWS
Impact of social media on affective trust

- 58% of subjects indicated as *more benevolent* the company for which they examined the Facebook page.
- **Openness** to customers’ suggestions and feedback is regarded as a sign of interest in their satisfaction.
- Social media used to catch the ‘atmosphere’ of a work environment:
  - i.e. the mood and courtesy of staff
  - the disposition of the owners towards the customers
Impact of social media on cognitive trust

- Presence of social media is perceived as an implicit statement of quality of goods/services
  - The company is directly exposed to customers’ feedback
  - The company provides pictures of goods, location and staff
Different roles of websites and social media

- Traditional website is considered as the ‘business card’ of a website while Social media are regarded as the way of fostering customer loyalty
  - Establishing personal relationship
  - Openness to customers’ feedback
  - Huge amount of material available
Different roles of websites and social media

- Subjects declare they need both source of information to form their own opinion about unknown companies
  - Social media are accessed first
  - In case of positive opinion the website is accessed
- Social media as a new version of word-of-mouth [Blanchard, 2011]
  - First impression based on social media
- Traditional websites are used to retrieve business related information
  - which goods/services, prices, locations, purchase conditions
Threats to study validity

- **External validity**: limited possibility of generalizing the findings
  - Same background, same level of familiarity with e-commerce and social media

- **Conclusion validity**
  - Minimal pool of participants

- **Internal validity**: study design
  - Both groups evaluated both web conditions but on different companies
Conclusions and Future Work

- Partial support to H1a about social media influencing affective trust building
  - Social media might have a significant role in enhancing affective trust building based on first impression
  - Larger and more varied pool of participants (age, background, gender)
  - Different domains, more control of the information elements
- Call for replications!
Thanks!