Chapter 12
The Role of Social Commerce Components on the Consumer Decision-Making Process

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ABSTRACT

Rapid changes in commerce, technology, and consumer behaviour are leading businesses to shift their online activities. The popularity of social media pushed online merchants to integrate these platforms into their online presence, leading to the rise of social commerce. Consumers' interaction and participation online create a massive amount of information. The use of social commerce components facilitates the interaction of consumers by sharing their experiences and learning from others' experiences. In this chapter, the authors look at how this process has impacts throughout the consumer decision-making process when making a purchase and suggests directions for future research.

INTRODUCTION

The increase of social media popularity is leading to the rise of social commerce (Lin, Li, & Wang, 2017; Wang & Yu, 2017). Social commerce is a subset of e-commerce based on social networks platforms. The possibility of interaction, the hallmark of social networks, is central to social commerce, allowing consumers to behave collaboratively by sharing information, recommending options and advising alternatives (Huang & Benyoucef, 2015). Research shows that consumers enjoy sharing their purchase information with their friends and contacts online and that they are receptive to following others' online recommendations when making purchase decisions (Chen & Shen, 2015). Often this type of informa-

tion is considered more reliable because it refers to an experienced user who has experience with the product (Kim & Park, 2013). Different factors impact on the willingness to be active online by providing recommendations and reviews. Website design in general, and social commerce features, in particular, have a high influence on consumers' participation online.

Despite the growing importance of social commerce, the impact of social commerce factors on consumers' purchase decision-making is under-researched (Chen, Lu, & Wang, 2017). In this vein, social commerce components are gaining scholars' and practitioners' interest. To the authors' best knowledge, although a few studies have researched the impact of social commerce components on consumer purchase decision process, there is a dearth of studies focusing on how consumers process the information acquired from the social commerce components and how this information impacts the purchase decision process (Chen, Lu, & Gupta, 2017).

In general, consumers share their opinion online about uncommon purchase experiences which they think may be helpful for others. For example, consumers may not share a "cigarette" purchase online with others unless they experienced an abnormal or a special situation in purchasing or in utilizing the product. In some cases, consumers share information about a purchase which have a high level of complexity. Other consumers will share purchases with a high-level of satisfaction (or dissatisfaction). Also, in the case of new products, early buyers may share their purchase experience since it is their first experience with this product. Thus, the information generated by consumers which will facilitate the purchase decision-making process of other consumers (Huang & Benyoucef, 2017), contributing to more accurate, faster decisions and, less effort.

Hence, this work aims at understanding both what drives consumers to share information online and the impact of such information in the buying decision process. We look at purchase decisions as cognitive behaviour. The chapter focuses on social commerce components to understand their impact on consumer purchase decision-making process. Chen and Gupta (2017) addressed the significance of ratings and reviews, recommendations, and communities and forums in improving the purchase decision. Ratings and reviews play a high role in minimizing consumers' uncertainty and consequently performing a high-quality decision by learning more about products' quality and attributes that other consumers had shared. The chapter aims to review the literature and propose directions for further research.

BACKGROUND

Social Commerce

Social commerce is a subset of e-commerce which may include two main types: a social network website that integrates commercial features enabling transactions and advertisement, or a traditional e-commerce website that includes social tools to enable social interactions. Central to social commerce are social networks and web technologies which allow users to acquire and share information and enable social commerce platforms to become an important learning platform. Social posts and information shared by earlier experienced consumers are learning sources for potential consumers; consumers are continuously learning from what other users are posting and sharing.

In the social media context, consumers' purchase decision-making processes are impacted by several factors such as website design, flow of experience, ease of technology, trust, and enjoyment (Lin et al., 2012; Parboteeah et al., 2009; Wu et al., 2016). The ease of use and learning facilitated by providing suit-

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