

Managing User Trust in B2C E-services

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ABSTRACT

One of the major differences between B2C e-services (Business to Consumer Internet-based services) and the more traditional types of consumer services is that websites of e-services frequently lack the social presence of the physical services. This lack of social presence may impede the growth of B2C by hindering the development of consumer trust in the service provider. Human interaction, or at least the belief that the system has characteristics of social presence, is believed to be critical in the creation of trust. Trust itself is a major issue affecting the phenomenal growth rate of e-commerce, according to industry sources and recent academic studies.

This study examines the effect of social presence on consumer trust in e-services and the relative importance of consumer trust in comparison with the widely studied TAM (Technology Acceptance Model) beliefs. In a free simulation experiment, 161 MBA student subjects assessed Travelocity.com, a popular online travel agency. Findings show that social presence, indeed, affects consumer trust and that trust subsequently has a stronger effect on purchase intentions than TAM beliefs. Implications for e-services are discussed in terms of whether the benefits from adopting an IT depend more on website characteristics like usefulness and ease of use or on consumer trust in the vendor. Managing e-services calls for managing the trust that is engendered in the customer experience on the website. Firms that excel in instilling high degrees of social presence in their websites may prosper more than those that do not.

Keywords: e-commerce trust, social presence, media richness, information richness, Technology Acceptance Model, website stickiness.