



Consumers' Attitudes and Privacy Concerns on
Value Co-Creation: A Cross Cultural Study on
Big Data Perspective: Structured Abstract

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INTRODUCTION

It is estimated that more than 5 billion people have mobile devices which leads to greater levels of connectivity, interaction and ease of access (Pew Research Center, 2019). While this provides a path to positive changes over the course of life, it also has negative effects associated especially leaving the users vulnerable and exposed to third party access (Eastin et al., 2016). Nowadays, marketers are utilising mobile technologies to target individuals by creating personal offers and experiences that serve individual needs and wants with the help of big data technologies (Versanen, 2007). Big data provides companies invisible patterns about consumer preferences, businesses, and markets for companies' competitive strategies (Yang et al., 2014), which is a significant factor for organization success (Clarke, 2016; Tirunillai and Tellis, 2014).

Consumers generate a significant amount of data, and every change in attitude, location, or even physiological data is recorded and analysed (Efros, 2014). This consumer-generated data provides many challenges and opportunities for firms to achieve success (O'Leary, 2013). Nevertheless, this data can also create value. According to service-dominant (S-D) logic, value is created by firms and customers (Bettencourt et al., 2014) and several studies had focused on the conditions of successful value co-creation and the advantages of it (Kumar et al., 2010; Prahalad and Ramaswamy, 2004; Bart et al., 2013). However, there is a lack of research on value description for firms from consumer-generated data perspective.

In this research, we focus on big data as an organisational asset. Organisational assets can be tangible or intangible resources that produce economic advantages (Xie et al., 2016). We claim that big data is a part of organisational assets that is related to consumer-generated data as an intangible asset. From this point, we focus on how value co-creation drivers, namely consumer attitudes such as trust, satisfaction, and commitment are related in the context of big data.

Furthermore, consumers' privacy has become an important issue on online platforms, as third parties can get personal information for marketing purposes (Tufekci, 2008). Hence, these privacy concerns can revoke consumers to use online platforms, especially social media where people share their personal information. Therefore, consumer-generated data may be decreased, and it can affect the companies' value for the long-term success. In this study, we adopt the Communication Privacy Management Theory (CPM), and the Social Exchange Theory (SET) to investigate consumers' trust, commitment, and satisfaction behaviours on companies' value co-creation, and we aim to find out how the privacy concerns of consumers affect consumer behaviour on the way of creating value for the organisation.

BACKGROUND

Communication Privacy Management Theory

CPM theory explores the privacy regulation in interpersonal communication (Petronio, 2002), by providing a theoretical framework to understand how people develop rules and set up boundaries in interpersonal communication (Xie and Karan, 2019, p.189), and also has been used in explaining the dynamics between privacy protection and disclosure behaviour (Xie and Karan, 2019).

Several studies utilised CPM theory in privacy management in online advertising (Metzger, 2007), social media use (Child et al., 2012), and adoption of mobile commerce activities (Eastin et al., 2016). It particularly tries to explain private information boundary management; the boundary is “thick” when individuals disclose less information and gets “thinner” when the extent of information disclosure increases (Petronio 2002; Xie and Karan, 2019). It also claims that there can be different layers of boundaries to share information, as individuals can establish different privacy boundaries with other individuals or parties, including advertisers and disclose private information at different levels (Petronio, 2015).

Prior research shows that consumer trust is reduced with negative online experiences (Yang and Liu, 2014), and low consumer trust leads to a decrease in consumers’ willingness to disclose information in subsequent transactions (Metzger, 2007). Consumer trust definition that has been adopted in this study is “the expectations held by the consumer that the service provider is dependable and can be relied on to deliver on its promises.” (Sirdeshmukh et al., 2002). This research adopts the definition of big data as “data that is gathered from social media profiles, global positioning systems (GPS), cookies, search engines, and loyalty cards by companies to track and understand consumer behaviour” (Eastin et al., 2016). As prior studies show the negative relationship between trust and privacy concerns (Cases et al., 2010), and privacy concerns and value co-creation (Tajvidi et al., 2018; Wang and Hajli, 2014) consumer commitment and satisfaction (Inman and Nikolova, 2017; Wang et al., 2019), the below hypotheses are proposed:

H1: High level of trust in usage of online social sites have a significant negative effect on privacy concerns.

H2: High level of privacy concerns have a significant negative effect on creation of value for the organization.

H3: High level of privacy concerns in usage of online social sites have a significant negative effect on consumers’ commitment.

H4: High level of privacy concerns in usage of online social sites have a significant negative effect on consumers’ satisfaction.

Social Exchange Theory of Consumers in Value Co-Creation in Big Data Context

Value co-creation through collaboration with consumers has been identified as an important issue (Choi, Lotz, and Kim, 2014). Based on the social exchange theory (SET), this study investigates the antecedents of consumer behavior that refer to trust, commitment, and satisfaction in the big data context. The focal point of SET is that people engage in exchange when they get a benefit from each other (Blau, 1964). The most typical form of SET is an exchange relationship (Gouldner, 1960), which is defined as both sides looking to get benefits from each other by interaction (Cropanzano and Mitchell, 2005).

This provides a long-term relationship between customer and organisation, with effects on customers’ trust, commitment, and satisfaction (Cook and Emerson 1978, Nye, 1979; Sabatelli, 1984; Thibaut and Kelley, 1959) as well as organization’s value. On the other hand, the big data topic has attracted significant attention from many scholars and practitioners to investigate the ways to increase of usage consumer-generated data to develop the efficiency and effectiveness of organisations’ strategies (Dumbill, 2013; Swan, 2013), because it is seen as a value driver (Francesco, Federica, Igor and Giuseppe, 2017). Accordingly, customer engagement in social media produces a significant amount of data such as user forums, blogs, social networking sites, and online communities. Collecting and mining such content can

enable valuable information for businesses to determine market needs and trends (Constantinides and Fountain, 2007). Besides, this can lead to creating value in return for the organization by gaining consumer data. However, consumers' commitment, satisfaction, and trust levels may affect the usage of these platforms. Hence, organisations cannot create value, if they cannot carry out consumers' need and wants.

Commitment is defined as a focal point in differentiating social and intimate exchanges from financial exchanges (Cook and Emerson, 1978). Commitment includes the eagerness of people to work for the continuation of their relation (Leik and Leik, 1977; Scanzoni, 1979). In this research, commitment can be defined as a factor that leads to creating organizational value. According to Jaworski and Kohli (2006), commitment can provide value for the organisation, because if a customer feels committed, they are more inclined to use social platforms, where they can create data that can lead to creating value to creating value for the organization itself.

Furthermore, customer satisfaction has long been defined as a key determinant of consumers' long-term positive attitude (Oliver, 1980). Grisseman and Stockburger-Sauer (2012) further stress that a greater degree of satisfaction can lead to a higher level of value co-creation and Vazques et al. (2014) claim that there is a positive relationship between value co-creation and satisfaction in the service experience. A satisfied consumer would be more inclined to use online social sites that lead to creating a greater level of data, which creates value for the organization.

Lastly, trust can also lead consumers' value co-creation behaviors. According to Dabholkar and Sheng (2012), the consumers' trust level is related to their participation in online communities. If consumers' trust increases, they will be more eager to provide to the community by sharing knowledge, participating in debates, and creating relationships with others which drives value co-creation by producing data and interaction (Pappas, 2016; Toufaily et al., 2013). As a consequence, the below hypotheses are proposed:

H5: High level of commitment in usage of online social sites, leads to create value for the organization.

H6: High level of satisfaction in usage of online social sites, leads to create value for the organization.

H7: High level of trust in usage of online social sites, leads to create value for the organization.

METHODOLOGY

In order to test the hypotheses an online survey will be distributed with an aimed sample size of 400; for 200 respondents from two different countries; UK is chosen for the developed market, and Turkey is chosen for the developing market.

The proposed model includes five constructs: trust, privacy concerns, commitment, satisfaction, and value co-creation. All items will be adapted from the literature and modified to fit the study. A pilot study with a convenience sampling will be used to ensure the wording and the questions are clear to understand (Bell, 2010). The partial least squares technique SmartPLS 3.0 will be used to test the model (Hair et al., 2017). After testing each construct's reliability and validity, a bootstrapping procedure will be applied to test the significance of the parameter estimates, and then a multigroup analysis will be conducted to compare the two data sets from two different countries.

PRELIMINARY RESULTS AND DISCUSSION

Based on the current literature, we expect to find out positive relationships between commitment, satisfaction, trust, and value co-creation in the big data context for two different markets. As data is a strategic asset, it can be considered as a value-driven factor for the organization. Specific consumer attitudes such as commitment, satisfaction, and trust can lead consumers to use more frequently online social platforms. However, privacy concerns of consumers may negatively affect these attitudes in using these platforms. If there is a privacy concern for an online platform, it may affect the level of consumers' commitment and satisfaction and leading them not to use or decrease the level of use of that platforms. Also, privacy concerns can influence the relationship between trust and value co-creation negatively, where there is a positive relationship between trust and value co-creation. If privacy concern is an issue for consumers, it can affect their perceived trust level to the online platforms, and it leads to a decrease in the value co-creation of the organization.

POTENTIAL CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

In conclusion, even though big data has been claimed as a new form of asset, a comprehensive theoretical framework of big data as an organisational asset, its role in value co-creation and consumer behaviours has been neglected in the literature. Besides, privacy concerns of consumers have not been pointed out in the literature from value co-creation perspective as well. Since the global competition between organisations are increasing in these days, a better understanding of how big data becomes valuable organisational asset is necessary for developing and obtaining a long-term success for cross-cultural perspective.

References Available Upon Request