PERSONALITY INFLUENCES ON ONLINE STORES CUSTOMERS BEHAVIOR

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Abstract
Online customer behaviors include a wide range of processes and activities related to sensory reactions, perceptions, attitude formation, preferences, decisions, satisfaction evaluation, and loyalty formation. Online customer behaviors are influenced by exogenous and endogenous factors. Exogenous factors include attributes associated with the online retailer and the consumer’s environmental influences. Endogenous factors include characteristics attributed to consumers. Of these, personality has major influences on customer behavior in the online stores. In this paper we highlight the influences of personality on important decision making variables linked to the customer’s online visiting, buying and post purchase process.

Thus, we intend to point out the influences of personality on the criteria used in evaluating stores, on expectations customers form towards stores, on the perception of store performance and the assessment of satisfaction. This will involve carrying out a survey, and its administration will be performed on the Internet. The sample under research will comprise respondents who own an account on the social network Facebook, assuming these respondents have time and are more likely to have purchased online at least once.

The results of this study are useful both for academic researchers and practitioners engaged in online marketing, online communication and web design.

Key words: Big Five; customer behavior; online buying; online stores; personality traits.

JEL Classification: L81, M31

I. INTRODUCTION

Information and communication technology development led to significant changes in the business environment and consumer behavior, while the emergence and development of the Internet have led to new approaches in the management of organizations. The online environment is different from the offline environment, the major difference being the role given to consumers. They become active explorers when visiting websites. Therefore, theories and concepts applicable in the offline environment are not always relevant in the online environment. Failures retailers register online are associated with the limited understanding of customer behavior. Online customer behaviors include a wide range of processes and activities related to sensory reactions, perceptions, attitudes formation, preferences, decisions, assessing the degree of satisfaction, loyalty formation. Online customer behaviors are influenced by exogenous and endogenous factors. Exogenous factors include attributes associated with the online retailer and the consumer’s environmental influences and endogenous factors include characteristics attributed to consumers. Of these, personality has major influences on customer behaviors in the online stores. Although the link between personality traits and online purchasing behavior has been poorly studied (Bosnjak, Galesic et al, 2007), there are numerous studies confirming that the online buyers’ personality traits influence their purchasing behavior (Wolfinbarger and Gilly, 2001; Cheung, Zhu et al, 2003; Horzyk, Magierski et al, 2009; Tsao and Chang, 2010; Hui, 2011). Personality influences the attitude towards the Internet, motivations for visiting websites, the choice of criteria used by customers in evaluating the stores in which they shop. It also has an impact on expectations customers form regarding the stores they visit. Personality traits influence customer perceptions on the quality of the store, the quality of services offered by the online vendors and the quality of the experiences lived when visiting the stores. Finally, personality traits influence customer satisfaction appreciation.

II. LITERATURE REVIEW
Information and communication technology development led to significant changes in the business environment (Kim, Kim et al, 2009) and consumer behavior (Shergill and Chen, 2005). The emergence and development of the Internet have generated new approaches in the management of organizations (Kimiloglu, 2004), the Internet has become a medium through which organizations segment their markets, differentiate and distribute their products, communicate with stakeholders (Constantinides, 2002).

The online environment is very different from the offline environment due to its nature, size and the impossibility of sensory representations. As a consequence, theories and concepts of the two environments are not always common and relevant (Demangeot and Broderick, 2007). The major difference between the online and the offline environment is given by the consumer’s role. Thus, while the offline environment gives consumers a passive role, on the Internet they become active explorers who decide which messages they receive, the order in which they receive them and for how long they receive them (Huizingh and Hoekstra, 2003).

With all the benefits of the Internet, online retailers register, in many cases, low conversion rates of online stores visitors turned into buyers and high dropout rates for shopping carts (Kim and Lennon, 2008).

Failures of the online vendors are assigned to the limited understanding of the needs of buyers and to their inability to determine buyers who want to try other products and the Internet will help them satisfy their propensity for variety. People willing

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to try new products and services and impulsive people who make decisions without taking into consideration financial matters or other consequences, are more likely to buy online (Donthu and Garcia, 1999). Agarwal and Prasad (1998) argue that individuals who are willing to try the new information technology are very likely to accept to shop online.

Referring to the the online context, Perey y Monsuwe, Dellaert et al (2004) analyze the influences of the need to interact with vendors and self-efficacy on customer behavior. Starting from the fact that in the online store the interaction between buyers and vendors has been replaced by "help" buttons and search options, buyers eager to interact with other buyers or store representatives will be inclined to buy from offline stores. At the same time, according to the literature, people with low need for interaction will have online stores as a first option to make purchases (Dabholkar and Bagozzi, 2002, in Perey y Monsuwe, Dellaert et al, 2004).

Self-efficacy is a personality trait owned by buyers who believe they have the capacity and resources to carry out certain tasks (Bandura, 1994 in Perey y Monsuwe, Dellaert et al, 2004), in this case meaning the use of a computer, looking for information and placing an order on the Internet. In general, people tend to adopt behaviors that feel they have mastered (Eastin and LaRose, 2000, in Perey y Monsuwe, Dellaert et al, 2004). This is why when buying online, insecure and anxious individuals need simple procedures that guide them through the process of buying. On the other hand very confident buyers will pay more attention to the effectiveness of the buying process than to the ease of following it (Perey y Monsuwe, Dellaert et al, 2004).

One of the most commonly used models for studying personality is the Big Five model which comprises five dimensions: neuroticism, extroversion, agreeableness, openness, conscientiousness (Robu, 2007; Tsao and Chang, 2010; Luchs and Mooradian, 2012). These dimensions together with the need for material resources and the need for stimulation are found in a larger model developed after Mowen (2000), which includes the basic features (Chen, 2011), together with three hierarchical levels of personality: surface traits, situational traits and compound traits.

Surface traits have a direct influence on consumer behavior, indicating his intention to purchase online (Bosnjak, Galesic et al, 2007). Situational traits influence surface traits and refer to the cognitive or affective involvement for the analysed behaviour (Bosnjak, Galesic et al, 2007). The cognitive involvement reflects the importance that the individual gives to the Internet as a buying environment, due to its perceived functional characteristics: identification of low prices, many buying options. The emotional involvement is related to the expected pleasure of buying online (Bosnjak, Galesic et al, 2007).

Unlike Bosnjak, Galesic et al (2007), in the model proposed by Chen (2011), situational traits include value consciousness, buying impulsiveness and propensity to trust. These anticipate consumers' intention to buy online (Chen, 2011). Impulsive people are emotionally attracted to objects and seek immediate gratification (Thompson et al, 1990; Hoch and Loewenstein, 1991; Zhang et al, 2007 in Chen, 2011), in the online environment they do not handle the pressure of inhibiting factors such as the need for compliance with the behaviors of other consumers (Rook and Fisher, 2005 in Chen, 2011).

For impulsive individuals, the online environment becomes a favorable environment for buying. Consciousness is associated with the possibility to choose of the cheapest product that meets the quality standards expected (Chen, 2011). The online environment is recognized for the possibility to purchase products at lower prices (Overby and Lee, 2006), which justifies the intention of consumers to buy online. The lack of trust is the main inhibitor for consumers to shop online (Chen, 2011), so there is a positive relationship between the propensity to trust and the intention to buy online.

The third level in the personality traits hierarchy belongs to the compound traits: the need for cognition and innovativeness for Chen (2011), the need to evaluate, the need for cognition, the need for arousal and the need for material resources for Bosnjak, Galesic et al (2007). These traits often develop during socialization, but are also influenced by the experiences of individuals (Bosnjak, Galesic et al, 2007). Given that in the online environment there is a lot of information available, greater cognitive effort is required for their categorization and understanding (Chen, 2011). Some people tend to engage in activities that require intense cognitive effort (Chen, 2011).

Individuals who have a strong need for cognition seek for more information before deciding, make greater efforts to process messages and are more receptive to what is new (Cacioppo and Petty, 1982). Their attitudes are constant over time and are not easily influenced (Hautveldt et al 1992, in Ho, Tam et al, 2007). Individuals who score high for this personality trait are more attentive, profound, and more sensitive to customizing the content when deciding what to buy (Ho, Tam et al, 2007).

Innovativeness refers to the predisposition of consumers to accept new things (Chen, 2011). Between innovativeness and online shopping there is a positive relationship (Citrin, Sprott et al, 2000), and so it is between innovativeness and the online shopping intention (Eastlick and Lotz, 1999; Limayen et al, 2000 in Chen, 2011).

Neuroticism is defined as the disruption in the emotional stability through negatively charged emotional states (Robu, 2007). People with neurotic personality are anxious, isolated and unsociable (Robu, 2007) and avoid situations in which they must take control (Judge et al, 1997 in Saleem, Beaudry et al, 2011). There is a negative
relationship between computer use and neuroticism (Saleem, Beaudry et al, 2011). The more neurotic a person is, the harder it is to control emotions and refrain from buying a whim (Tsao and Chang, 2010).

In the buying process, neurotics will evaluate whether the purchase that they are about to make will attract the attention of others (Tsao and Chang, 2010). Moreover they will try to reduce negative cognitive reactions for consumption by buying products at low prices and by comparing prices of different vendors (Tsao and Chang, 2010). So, the more neurotic the buyer’s personality is, the more motivated the buyer will be by the utility of his experience (Tsao and Chang, 2010).

The second dimension of the Big Five model is conscientiousness and its facets are: dutifulness, achievement, competence, self-discipline (Robu, 2007). Consciousness does not have a significant effect on online buying, a possible explanation being the precaution to avoid the perceived risk of buying online (Tsao and Chang, 2010).

Individuals with high scores for the extroversion dimension are sociable, active, have a dominant behavior and are in search of sensations (Robu, 2007). Extroversion makes individuals more receptive to change, to new things and ideas (Tsao and Chang, 2010) and makes them want social recognition, power and a certain status (Costa and McCrae, 1988 in Saleem, Beaudry et al, 2011). Extroverts seek a high level of socialization, share their experiences with others and in the buying process they are willing to follow the suggestions of others (Tsao and Chang, 2010). There is a positive relationship between extroversion and the motivation to obtain pleasure (Tsao and Chang, 2010). The same relationship occurs between extroversion and computer use (Saleem, Beaudry et al, 2011).

The fourth dimension used in the study of personality refers to people’s openness to experience, values and feelings and causes the desire to seek variety (Robu, 2007). The openness to experience characterizes individuals who are willing to consider different points of view and opinions. The more open to new experiences a person is, the more that person will try to find the newest and most valuable offers on the Internet, not being satisfied with routine (Tsao and Chang, 2010). The openness to experience dimension is in a positive relationship with both the utilitarian and the hedonic motivation of the shopping activity (Tsao and Chang, 2010).

The agreeableness dimension is characteristic of altruistic, kind, modest (Saleem, Beaudry et al, 2011), sensitive people, of people that are more self-confident (Robu, 2007). Although buyers that have agreeableness as a predominant dimension of personality are more easily influenced by the aesthetics of websites and find pleasure in interacting with other online shoppers, according to Karl et al (2007 in Tsao and Chang, 2010), they process information and seek alternatives when buying online, counting more on the utilitarian value. Neuroticism, openness and agreeableness have a small but significant influence on the willingness to buy online. There is a significant and positive relationship between openness to experience and online shopping frequency (Bosnjak, Galesic et al, 2007). Individuals in search of sensations and that those who are authoritarian are more likely to make purchases online (Kwak et al, 2002, in Bosnjak, Galesic et al, 2007). The tendency to trust in the intentions and motivations of others has a significant influence on online purchase frequency (Bosnjak, Galesic et al, 2007).

Personality traits influence differently the motivations for deciding to purchase online (Tsao and Chang, 2010). According to Tsao and Chang (2010), neuroticism and conscientiousness are personality traits that have a positive influence both on the utilitarian and hedonic motivation of buying, extroversion has a positive influence on the hedonic motivation of buying, and agreeableness has a positive influence on the utilitarian motivation of buying.

Customer satisfaction is essential to establish long-term relationships with customers and sustain profitability (Ho and Wu, 1999), which is why a better understanding of the factors that have an impact on the buyers' satisfaction is very important for online stores.

Satisfaction is influenced by cognitive processes, such as comparing the perceived quality to the expected quality, but there are studies that show that satisfaction has emotional antecedents. Addressing the role of emotions in satisfaction formation has made research on the role of personality in post-purchase behaviors more convincing (Mooradian and Oliver, 1997).

In our opinion, personality traits influence satisfaction through:
1) The influences on attitude towards the online environment, which in turn affects trust in the services offered by stores;
2) Establishing criteria for online store evaluation and the order in which these attributes are considered
3) Influencing expectations. We can assume that individuals with different personality traits use higher or lower standards to shop online;
4) Influencing the perception of the overall quality of the online store. We can assume that people with different personality traits perceive differently the store attributes, evaluate differently services and the quality of the visiting and shopping experience performed in the store;
5) Influencing the process of disconfirmation / confirmation, of confronting performance and expectations towards the store. Based on personality traits, some consumers will reduce expectations, others will increase this...
level, some consumers will perceive performance more favorably, and others will perceive store performance less favorably.

Ranaweera, Bansal et al (2008) analyze the effects of some personality traits considered important for the online buying behavior and focus on the relationship between these personality traits and the perceived satisfaction in relation to the online site. Ranaweera, Bansal et al (2008) showed that personality traits have a significant moderating effect on the online buying intention. If a buyer is satisfied, his aversion to risk will increase the likelihood of purchase. However, the propensity to trust will not increase the likelihood of buying, when browsing an unknown site only propensity to trust is insufficient to determine a positive and significant effect on consumer behavior.

Risk aversion shows the extent to which people feel threatened by ambiguous situations in which they are placed (Hofestede and Bond, 1984, in Ranaweera, Bansal et al, 2008). The technology readiness concept developed by Parasuraman (2000) predicts consumer predisposition to use new technologies. The technology readiness construct has many dimensions: optimism, innovativeness, discomfort and insecurity. Even if technology acceptance has a significant impact on the buying intention and word-of-mouth in the online buying context, the concept is less studied in the literature. According to Ranaweera, Bansal et al (2008) the speed for technology acceptance increases the likelihood of buying online.

Khare, Khare et al (2010) studied the role of customer personality in evaluating the online banking services in India. They showed that certain personality dimensions influence behavioral intentions and the evaluation of products or brands. Consumers are interested in those products that match their personality and self-image. Consumers are influenced by different features of the online banking and can be motivated to try this service for different reasons. Extroverts are prone to risk because they try innovations; therefore, they are prone to use online banking services. Creative, smart or confident people can be motivated to try online banking because it is an easy to use service. Positive or secure persons are motivated to try the online banking services because they find them useful, convenient and flexible. Intelligent people and those belonging to the upper class use online banking services when there is detailed information on the site.

III. RESEARCH METHODOLOGY

We propose a quantitative research that will imply the administration of an online survey.

The administration of the questionnaire will be conducted on the Internet and will include a research sample of respondents who own an account on the social network Facebook. Initially, respondents will be selected from the researchers’ list of Facebook contacts. Through the snowball sample technique, respondents will be asked to name other respondents who can provide answers to the questions. This diminishes the negative effect of using respondents that are familiar with the researchers, because the new respondents do not know the researcher.

The following hypotheses are formulated based on the literature review and will be tested in the research:

H1. Personality traits determine the differentiation of respondents into online stores buyers / non-buyers;
H2. Customer personality influences the criteria used in choosing an online store;
H3. The online consumers’ personality influences their expectations;
H4. The online consumers’ personality determines differences in terms of perceived satisfaction;
H5. There is a positive direct relationship between extroversion and the experiential value perception of buying online;
H6. There is a positive direct relationship between agreeableness and the utilitarian value perception of buying online;
H7. There is a direct and positive relationship between agreeableness and satisfaction with the quality of the online retailer’s offer;
H8. There is a positive direct relationship between openness to experience and the online customer’s satisfaction;
H9. Extroverts are motivated by the possibility of socializing when shopping online;
H10. There is a direct and negative relationship between neuroticism and satisfaction evaluation;
H11. There is a negative relationship between conscientiousness and the online store customers’ satisfaction;
H12. There is a direct and negative relationship between neuroticism and perceived trust in the online retailer;
H13. Conscientiousness influences the perceived quality of information made by the online retailer;
H14. The inclination to neuroticism influences the perception of the online store’s ease of use;
H15. Openness to experience influences the perception of the online store’s attractiveness;
H16. Conscientiousness influences the perception of promptness of online store services;
H17. Extroversion influences the perception of empathy;
H18. There is a negative relationship between conscientiousness and the experiential value perception of the store.
IV. CONCLUSIONS AND FUTURE RESEARCH DIRECTIONS

Consumer personality is an endogenous variable which has significant influence on the online purchasing behaviors. This variable mediates the consumer’s relationship with the virtual stimuli that are different from those existing in the offline environment. Thus, personality influences priority and importance given to selection criteria of online stores. It can be assumed that anxious people show great importance to warranties and ensuring confidentiality of operations, while extroverts find social opportunities, interactivity and store aesthetics to be important. At the same time, the nature of expectations and their level varies according to personality traits, some customers are more ambitious, and some are more tolerant and accept the online distributors’ errors more easily.

E-shoppers are also different depending on the personality traits in the assessment of satisfaction, of post purchase and post visiting processes. Thus, some consumers are inclined to rationalize and reduce their expectations when assessing satisfaction, while other consumers are inclined to overstate their dissatisfaction. Personality is a variable that can be used to segment the online distributors’ market. Segmentation becomes increasingly important as markets are more and more fragmented and offer customization becomes a necessity. Online distributors can adapt the dimensions of their offer to the personality traits of identified segments. Thus, dimensions such as store aesthetics and its components, colors, combinations of colors, geometric shapes can be taken into consideration. Also, differentiation and adaptation refer to elements that ensure confidentiality, safety of the order and payment processes, websites’ interactivity.

In future research we plan to identify the personality types of online consumers using typological analysis and cluster analysis and to determine the reactions of different clusters to the constituent elements of the online stores offer- aesthetics, ease of navigation, interactivity, security, perceived empathy etc.
III. REFERENCES


