

## WHAT MAKES SOCIAL SHOPPERS CLICK? THE ROLE OF SOCIAL REWARDS IN SOCIAL SHOPPING

KESHA K. COKER, *Eastern Illinois University*

ROBERT E. BOOSTROM, JR., *University of Wisconsin—Whitewater*

SUZANNE A. ALTOBELLO, *Southern Illinois University Carbondale*

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*As an evolution of electronic commerce, social shopping leverages the power of social media to transform the online shopping experience in ways that benefit both marketers and consumers. To create social shopping value, marketers have typically relied on economic (extrinsic, monetary) rewards, which enhance utilitarian value and build short-term sales. However, marketers may also wish to consider social (intrinsic, non-monetary) rewards, which hold great potential for creating hedonic value to further enhance the social shopping experience. This research proposes a conceptual model that captures the role of economic as well as social rewards in social shopping. Social shopping rewards are modeled as antecedents to social shopping value (utilitarian and hedonic), which leads to positive attitude toward the retail brand and behavior-related outcomes (purchase intentions and positive word of mouth). Research contributions to both marketing theory and practice, as well as future directions for social shopping research, are discussed.*

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### INTRODUCTION

In traditional offline shopping environments, social shopping has been conceptualized as “the enjoyment of shopping with friends and family, socializing while shopping, and bonding with others while shopping” (Arnold & Reynolds, 2003, p. 80). However, advancements in social media have transformed traditional shopping and e-commerce into a new form of shopping, first referred to as “social commerce” in 2005 (Wang & Zhang, 2012). Social commerce (now synonymous with the term “social shopping”) was born in an era when there was a shift in information sources from marketer-generated content to peer-generated content (also known as user-generated content). The year 2006 saw the emergence of social shopping websites with shoppers who socialized to obtain shopping ideas, giving rise to social shopping as an evolution of e-commerce (Wang & Zhang, 2012).

The marketing potential of social shopping has generated academic inquiry into how social shopping works. One view posits that socializing and peer recommendations may not necessarily be influential in social commerce

(Wang & Zhang, 2012). If so, how can consumers be converted to social shoppers? One plausible strategy is a rewards framework, which moves beyond marketers “incorporating social sharing buttons” toward “encouraging sharing with incentives to boost those sales” (Savitz & Kowal, 2012). Industry research shows that the top reasons consumers chose to “like” a brand were to “receive discounts” and to “show brand support to their friends” (Harris & Dennis, 2011, p. 339). A 2012 Social and Mobile Commerce Study revealed that “good deals” topped the list of reasons for consumers to follow retailers on social media websites (National Retail Federation, 2012). Other incentives for social shopping participation include “monetary discounts and free shipping to Facebook fans as well as exclusive offers” (Andruss, 2011). In sum, consumers have indicated they “must receive rewards, via price or points, in order to expend time” on social shopping (The 2011 Social Shopping Study).

Though deals and coupons may motivate social shopping, research suggests that these types of rewards may be losing their “luster” (National Retail Federation, 2012), with 51% of consumers (down from 58% in the previous year) saying that they follow a retailer for deals and coupons. This spurs further inquiry into the effectiveness of a social shopping rewards framework. Hence, the purpose of this research

is to pursue this level of inquiry by considering a rewards framework that extends beyond economic rewards (that are extrinsic and monetary) to social rewards (that are intrinsic and non-monetary). This research answers Wang & Zhang's (2012) call to closely examine shopping motivations in social shopping research and Yi & Yoo's (2011) call in the sales promotions literature to build research on non-price promotions. By building on theories of shopping motivation, the present research models economic and social shopping rewards as predictors of two types of social shopping value (utilitarian and hedonic value). Shopping value, in turn, is modeled as predicting attitude toward the brand and two types of social shopping behavior-related outcomes: purchase intentions and positive word of mouth.

In the next sections, a definition of social shopping is provided, followed by a presentation of the conceptual model and propositions on the role of social shopping rewards.

### **SOCIAL SHOPPING DEFINED**

Though many definitions of the term exist, social commerce (also synonymous with social shopping) has been defined as "a form of commerce that is mediated by social media and is converging both online and offline environments;" it "involves using social media that support social interactions and user contributions to assist activities in the buying and selling of products and services online and offline" (Wang & Zhang, 2012, p. 106). Thus, social commerce captures the "social aspect of an online shopping experience" (Shen, 2012, p. 198). As an evolution of electronic commerce (Wang & Zhang, 2012), social shopping is centered on word of mouth (Stephen & Toubia, 2010) and "combines shopping and social networking" (Tedeschi, 2006).

Whereas traditional retail websites enable business-to-consumer interactions, social shopping encompasses both consumer-to-consumer interactions and business-to-consumer interactions. Such social shopping activities may entail the swapping of shopping ideas between consumers on social shopping sites such as Kaboodle.com, Wists.com, and

StyleHive.com (Tedeschi, 2006). Social shopping activities may also include consumers endorsing a brand on a social shopping website (e.g., "liking" a marketer on Facebook or "pinning" a liked product on Pinterest), purchasing an item on a marketer's website through a link on a social shopping website, and physically shopping online with others. Consumers use social shopping to share shopping experiences with other consumers and to follow brands. According to a SteelHouse Social Shopping Survey (2012), people share their purchases on Facebook (55% of consumers), Twitter (22% of consumers), and Pinterest (14% of consumers). In the US, consumers follow an average of 9.3 retailers on Pinterest, more than the average of 8.5 retailers on Twitter and 6.9 retailers on Facebook (National Retail Federation, 2012).

Some consumers are doing more than sharing purchase experiences and following brands; they are also purchasing items they see on social media sites. The SteelHouse survey reported that 59% of Pinterest users purchased an item they saw on the site while 33% of Facebook users purchased items featured on news feeds or on friends' walls (SteelHouse Social Shopping Survey, 2012). Therefore, social shopping provides marketers with the ability to incorporate both community and commerce functions into the online shopping experience, thereby creating opportunities for building customer relationships (Stuth & Mancuso, 2010), developing new sales channels (Andruss, 2011), and boosting sales (Savitz & Kowal, 2012).

In this research, the scope of social shopping covers platforms created by the marketer and/or facilitated by social shopping websites. Marketers are assumed to be using social shopping (1) to connect with communities of consumers who actively seek brand and product information and (2) to convert these consumers into shoppers who eventually purchase the brand. Marketer-designed platforms encourage social shopping on the marketer's website. For example, Macy's "Shop Macy's with Friends" allows users to create Facebook polls on product items from the department store's website (Macys.com). Mattel's ShopTogether allows users to shop online for children's toys together in real time (Shop.Mattel.com).

Retailers, such as Nordstrom and Bergdorf Goodman, link their consumers to their products using social shopping sites, such as Pinterest, Polyvore, and Svypply (Griffith, 2011). For example, following the launch of its social shopping strategy, Sephora saw a 60% increase in site traffic from Pinterest and now has about 140,000 followers and 2,500 pins, with the typical Pinterest user spending 15 times more money on Sephora.com than the typical Facebook user (Pinterest.com).

Having followers on social shopping sites may be desirable. However, the challenge that emerges is how to create social shoppers who not only follow a brand, but also make purchases, continue making purchases, generate positive feelings toward the brand, and spread the good word about the brand. The present research proposes that in order to engage social shoppers in a relationship with the marketer, the marketer must first deliver social shopping value to consumers. The creation and delivery of a value proposition makes marketers more appealing to consumers (Overby & Lee, 2006). This research focuses on the role of social shopping rewards (both economic and social rewards) on the creation of social shopping value and outcomes. The proposed conceptual model on the role of social shopping rewards is presented in the next section. Though the model incorporates both economic and social rewards from social shopping, emphasis is placed on social rewards, which are modeled to have a stronger impact on hedonic value than economic rewards. As per past research, the delivery of value is modeled as producing desirable outcomes for marketers.

### CONCEPTUAL MODEL AND PROPOSITIONS

Prior studies on social shopping have addressed social influence effects of shopping; word of mouth and the influence of consumer generated content; social contagion effects in social networks; and consumer interdependence in choice and spatial models (see Stephen & Toubia, 2010). However, “social shopping is a more recent phenomenon and has not been studied as extensively” (Stephen & Toubia, 2010, p. 216). Thus, there has been little work on the role of social shopping rewards and value on social shopping behaviors. To address

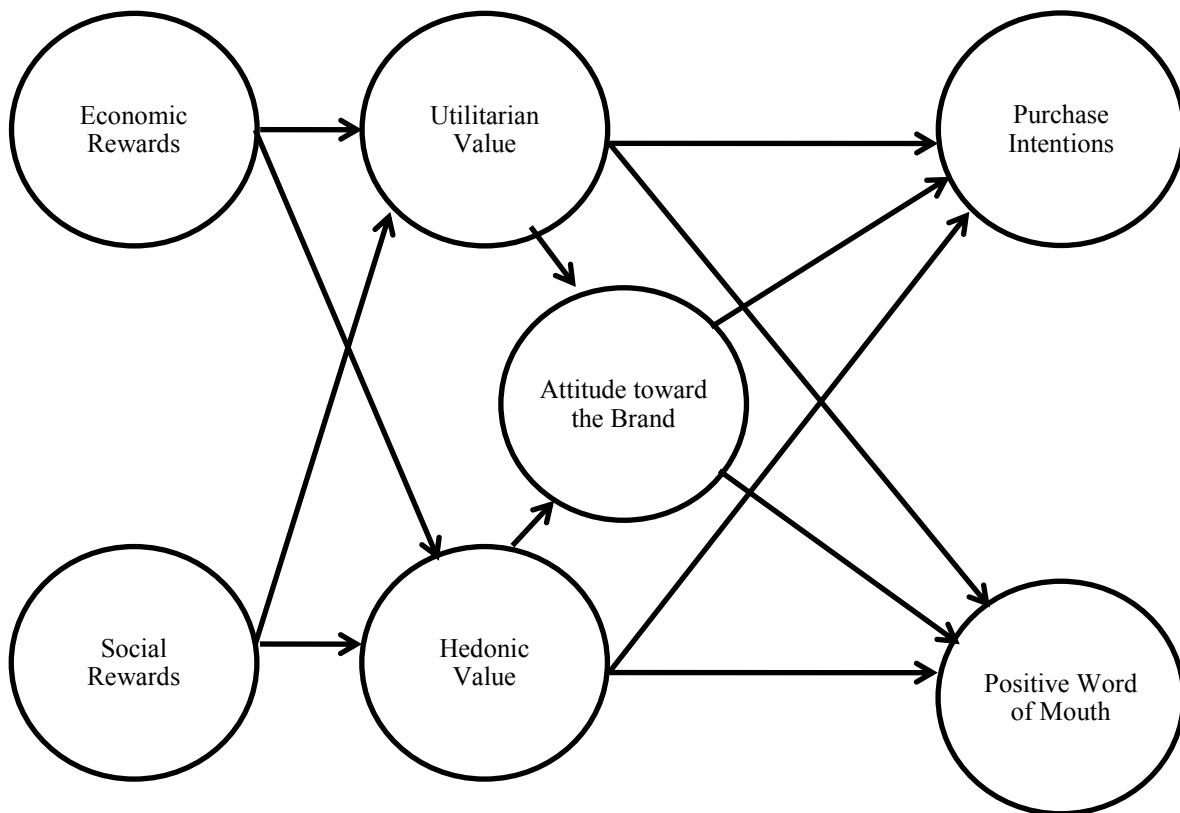
this gap, the proposed conceptual model (see Figure 1) extends the literature on shopping rewards and shopping value to the social shopping literature.

### Social Shopping Value

Shopping value has generally been conceptualized as a duality, comprising utilitarian and hedonic dimensions (Babin, Darden, & Griffin, 1994). On one side of shopping value is utilitarian value, which reflects “a conscious pursuit of an intended consequence” (Babin et al., 1994, p. 645). Such value is derived from the “work/dark side of shopping,” obtained from the completion of shopping as a task, i.e., it “might depend on whether the particular consumption need stimulating the shopping trip was accomplished” (Babin et al., 1994, p. 646). On the other side of shopping value is hedonic value, which is derived from the “fun side” of shopping and is associated with increased involvement and excitement around the act of shopping (Babin et al., 1994, p.644). Combined, utilitarian and hedonic value comprise the shopper’s personal value.

In the online context, research has shown that shoppers derive both utilitarian and hedonic value from online shopping (Bridges & Florsheim, 2008; Overby & Lee, 2006). Though both types of value entail an overall assessment of benefits and sacrifices, utilitarian value contains an overall assessment of “functional” aspects while hedonic value entails an overall assessment of “experiential” aspects of online shopping (Overby & Lee, 2006, p. 1161). Some social shoppers are goal-oriented, rational actors, motivated by cognitive thinking (i.e., economically-driven), making intuitive decisions, and seeking social savings (Wang & Zhang, 2012). Other social shoppers are non-rational actors, motivated by emotions or hedonic reasons for having fun while shopping online (Wang & Zhang, 2012). Given these conceptualizations and research on online shopping value, it is expected that social shoppers would also derive utilitarian and hedonic value from shopping and this value would motivate social shopping behaviors. The question that arises is: what determines the level of utilitarian and hedonic shopping value? To answer this question, the rewards structure

**FIGURE 1:**  
**A Conceptual Model on the Role of Social Shopping Rewards**



associated with the two dimensions of shopping value is examined.

**Social Shopping Rewards**

Babin et al. (1994) proposed that utilitarian and hedonic values are related to shopping rewards. These shopping rewards may be “extrinsic (e.g., monetary rewards, prizes, etc.)” or “intrinsic, personal, and emotional” (Babin et al., 1994, p. 645). Supporting Babin et al.’s (1994) conceptualization of rewards, the relationship marketing literature suggests two types of shopping rewards – extrinsic/external and intrinsic/internal. External rewards are “material rewards offered in exchange for desired behavior” while internal rewards are “not material; they increase internal enjoyment of a behavior and internal reasons for maintaining the behavior” (Melancon, Noble, & Noble, 2011, p. 343). This external/internal rewards structure mirrors the economic/social rewards structure associated with social reinforcers (Buss, 1983) and shopping behavior

(Melancon et al., 2011). Therefore, in this research social shopping rewards are conceptualized as economic (extrinsic) rewards and social (intrinsic) rewards.

*Economic rewards.* Economic rewards are considered to be financial in nature. These financial rewards maintain customer loyalty through pricing incentives (Berry, 1995; Gwinner, Gremler, & Bitner, 1998). As per the sales promotions literature, economic rewards are monetary in nature and include price reductions, coupons, and rebates (Chandon, Wansink, & Laurent, 2000). Applying this concept to the social shopping context, economic rewards can be discounts in price that may be presented in various forms, such as promotional discounts, volume pricing, or other ways in which purchase prices may be reduced due to elements of patronage. These rewards are primarily based on the measurable behavior of consumers. In the conceptual model, economic rewards are defined as financial rewards that consumers receive from

participation in social shopping activities that signify a relationship with a firm. Social shopping economic rewards may be used toward the purchase of the marketer's products. *Social rewards.* Economic rewards seem to be the more common types of rewards used to generate utilitarian value for social shoppers. However, as per past research, there is also a fun side to shopping that creates hedonic value. Shoppers may also derive social rewards from the shopping experience. While economic rewards from social shopping are typically monetary in nature, it is proposed that social rewards are non-monetary and more intrinsic. These rewards have the capability for marketers to enhance relationships with consumers. According to Berry (1995), non-monetary social benefits are part of higher level bonding with customers in relationship marketing. In Berry's (1995) conceptualization, social bonding produced social benefits that exceeded financial benefits used to maintain loyal customers. This social bonding entails "personalization and customization of the relationship" (Berry, 1995, p. 240). Gwinner et al. (1998) added to the discussion, suggesting that relational benefits can be social in nature; e.g., the personal encounter and positive feelings related to interaction in service delivery can be seen as a social reward. In this way, social benefits can be part of a differentiation strategy of companies (Gwinner et al., 1998).

In defining social rewards in the social shopping framework, reference is also made to Buss' (1983) conceptualization of social rewards in the field of social psychology. According to Buss (1983), social rewards can be viewed from two perspectives: process social rewards and content social rewards. Process social rewards increase levels of social stimulation and emanate from the presence of others, attention from others, others' responsiveness, and initiation of social interaction (Buss, 1983). Content social rewards boost social esteem and social status and arise from status deference, praise for accomplishments, sympathy in response to an event, and affection. According to Buss (1983), these content rewards are relationship builders that strengthen the relationship between those involved in social interactions.

In this research, social rewards from social shopping are also viewed as both process and content rewards. Process social rewards are derived from the consumer's pleasurable social interactions with other consumers during social shopping. Such interactions can build a sense of trust that the consumer may see as a sign of reduced risk of purchasing. Content social rewards emanate from the marketer and are obtained through the consumer's pleasant interaction with the firm via social shopping. These content rewards boost the consumer's perceived social status or self-esteem and may include "badges," "virtual titles," "retweets, or a simple "thank you" message to the consumer from the marketer. For example, Fab.com, a social shopping website, offers consumers social status rewards (e.g., "Prime Time Player") for top inviters (Savitz & Kowal, 2012). The popular check-in social networking site, Foursquare, uses a gamification strategy to reward social gamers with badges (foursquare, expertise, city and partner badges), points, and mayorship. Non-monetary promotions such as free gifts, free samples, sweepstakes entries (Chandon et al., 2000) are also considered to be accompanying perks to social rewards.

### **Social Shopping Rewards and Shopping Value**

Value has been viewed as both an "outcome of marketing activity" and a "primary motivation for entering into marketing relationships" (Mathwick, Malhotra, & Rigdon, 2001, p. 40). In the conceptual model, the latter of these views is adopted, i.e., value is conceptualized as a motivator of social shopping behaviors. The positive, direct relationship between rewards and motivations is considered to be fundamental in social reinforcement (Buss, 1983) and is generally accepted in the social sciences (Rummel & Feinberg, 1988). Given the nature of the relationship between rewards and motivations, it is expected that both types of social shopping rewards would positively impact shopping value.

The literature suggests that economic rewards can provide both utilitarian and hedonic value. Babin et al. (1994) found that consumer "bargain" perceptions, associated with price discounts, were linked to both utilitarian value

(efficiency in the product acquisition task) and hedonic value (transactional utility or smart shopper feelings). According to Chandon et al. (2000), value expression benefits are attained by purchases that the consumer sees as proof of their prowess as a shopper and is a good feeling (i.e., hedonic value through the experience) and may be triggered by demonstrating the consumer's frugality (i.e., utilitarian value due to the purchase). Thus, it is expected that economic rewards (which are similar in nature to monetary promotions) would also create both utilitarian and hedonic social shopping value.

Though economic rewards could provide both utilitarian and hedonic social shopping value, research suggests that extrinsic shopping benefits are more closely aligned with utilitarian shopping motivations (Chandon et al., 2000; Mathwick et al., 2001; Rintamäki, Kanto, Kuusela, & Spence, 2006). The sales promotions literature suggests that extrinsic sales promotions are utilitarian to consumers since "they increase the acquisition utility of their purchase and enhance the efficiency of the shopping experience" (Chandon et al., 2000, p. 67). Since economic rewards closely parallel monetary and extrinsic benefits, it is assumed that these rewards would positively impact utilitarian value more than hedonic value from social shopping. In other words, if the social shopper is provided with an economic reward (e.g., in the form of monetary incentive to shop socially), this creates more utilitarian than hedonic value since the consumer could potentially use that monetary incentive to complete the shopping task (Chandon et al., 2000). Therefore, it is proposed that:

**P<sub>1</sub>:** Economic rewards will have a greater influence on utilitarian value than hedonic value from social shopping.

In addition to economic rewards, social rewards may be considered integral to building both utilitarian and hedonic value. Non-monetary promotions produce utilitarian and hedonic shopping value (Chandon et al., 2000). However, the literature suggests that intrinsic benefits are more closely aligned with hedonic shopping motivations (Chandon et al., 2000; Mathwick et al., 2001). As an item on Arnold & Reynolds' (2003) hedonic value scale, hedonic value from "social shopping" referred to the

"enjoyment of shopping with friends and family, socializing while shopping, and bonding with others while shopping" (p. 80). Non-monetary promotions, such as sweepstakes, contests, and free gifts, are also more closely aligned with hedonic value, i.e., entertainment, exploration, and value expression, than utilitarian value (Chandon et al., 2000). Non-monetary rewards are considered to be hedonic rewards, based on entertainment and exploration, with social rewards producing social value through enhanced status and self-esteem (Rintamäki et al., 2006). Since such social value is obtained through experiential rather than functional/utilitarian aspects of shopping, social value is considered to be implicit to hedonic value. Hence:

**P<sub>2</sub>:** Social rewards will have a greater influence on hedonic value than utilitarian value from social shopping.

### Social Shopping Value and Outcomes

The value derived from social interaction remains a robust motivator of shopping behavior, particularly for in-store shoppers (Rohm & Swaminathan, 2004). With the introduction of the social dimensions to online shopping, it is expected that social interaction would also serve as a robust motivator of online social shopping behavior. Based on the literature, two types of social shopping behavior-related outcomes are considered in the conceptual model: purchase intentions and positive word of mouth. Attitude toward the brand is also modeled as an outcome of social shopping value and as a predictor of the two types of social shopping behavior-related outcomes.

*Purchase Intentions.* Both utilitarian and hedonic values positively predict preference for a retailer, leading to purchase intentions (Overby & Lee, 2006). However, in online shopping research, utilitarian value has been shown to be a stronger predictor of repatronage intentions (Jones, Reynolds, & Arnold, 2006), preference for online retailers (Overby & Lee, 2006), and online buying (Bridges & Florsheim, 2008). The explanations for such findings are based on the shopper's sense of accomplishment (Jones et al., 2006), the

Internet's utilitarian value, i.e., price savings and convenience (Overby & Lee, 2006), and the Internet's ability to facilitate transactions (Bridges & Florsheim, 2008). However, these findings should be taken within the context of the research on the Internet and e-commerce activities as they occurred at that time. Internet technologies, and thus Internet usage, surrounding commerce have been changing.

Scholars and practitioners have noted the evolution of e-commerce activities as a shift from Web 1.0 to Web 2.0 (Caravella, Zahay, & Ekachai, 2009; Granitz & Koernig, 2011; O'Reilly, 2005). For example, O'Reilly (2005) discussed at length changes in Internet usage that were created via changes in tools, software, and services. Additionally, Caravella et al. (2009) highlighted the idea that Web 2.0 moved Internet users to both create content and easily share it, which put social networking at the heart of much Internet activity. O'Reilly (2005) suggested that these changes meant that market leaders will find ways to tap into network effects with their sites. In other words, the Internet has become more than just getting information and has evolved toward an emphasis on the sharing of information. This sharing is done for many reasons, which include hedonic motivations. For example, Key, Boostrom, Adjei, & Campbell (2013) discussed how online communities are virtual spaces where information is shared in part to interact with others related to a topic with which consumers have high involvement. They also discuss the collection of information from others as being driven in part by intrinsic motivation to become an expert within a field. These are examples of how social activity provides the basis for receiving hedonic value, as the interaction on the topic, and the gaining of knowledge for intrinsic purposes, suggests value beyond simple utility.

As the Internet has evolved from Web 1.0 to Web 2.0, it is likely to continue to evolve. Garrigos-Simon, Alcamí, & Ribera (2012) discussed a move toward Web 3.0 and described it as a move toward quick integration and use of data. This will likely enhance some of the network effects that have been witnessed from Web 2.0 and lead to further socially motivated activity.

Therefore, while e-commerce has traditionally focused on utilitarian functions, social shopping introduces a social dimension into online shopping. Click With Me Now, a web-based social shopping software company, noted that with traditional online shopping, the "social experience" of shopping may be lost, resulting in negative consequences such as anxiety, shopping cart abandonment, and a poor user experience, which can be detrimental to online sales ([www.clickwithmenow.com](http://www.clickwithmenow.com)). By creating a forum for social interaction that mirrors the in-store experience, social shopping presents an opportunity for traditional online shopping to overcome these issues facing traditional online shopping ([www.clickwithmenow.com](http://www.clickwithmenow.com)). Thus, as an evolution of e-commerce (Wang & Zhang, 2012), the utilitarian as well as the hedonic value from social shopping is expected to predict purchase intentions.

Though utilitarian and hedonic value are expected to predict purchase intentions, it can be argued that each type of value would have a differential effect on purchase intentions over time. Recent research shows that the impact of the sales promotion in the long term depends on the type of sales promotion. In the long term, sales promotions may "increase price sensitivity and destroy brand equity" (Chandon et al., 2000, p. 64). As per Yi & Yoo (2011, p. 882), research generally supports the finding that monetary (price) promotions lead to positive effects on choice in the short term but negative effects on choice in the long term. Non-monetary sales promotions may be more beneficial than monetary sales promotions in the long term (Yi & Yoo, 2011). Given this background, it is expected that in the long term, hedonic value from social rewards would have greater effects on purchase intentions than utilitarian value from economic rewards in social shopping.

The expectation of the long-term effects of hedonic value on purchase intentions seems to fit well with Berry's (1995) conceptualization of non-monetary social benefits as part of higher-level bonding with customers in relationship marketing. With evolving Internet technologies, it is likely that what Berry (1995) described will be an effect more easily facilitated with Web 3.0 technologies and the enhanced networking effects as presented

above (e.g., Garrigos-Simon, et al., 2012). In other words, with the evolution of e-commerce to social shopping, hedonic value is viewed as providing a higher level of bonding with consumers, increasing intentions to continue to purchase in the long run, and this effect is likely to be further facilitated with anticipated changes to the Internet. Thus:

**P<sub>3</sub>:** In the long term, hedonic value will have a greater effect on purchase intentions than utilitarian value from social shopping.

*Positive Word of Mouth.* Word of mouth (WOM) has long been of interest to marketers and is a likely result of the effects in this model. As per Dichter (1966), people engage in sharing consumer-related information through WOM for psychological reasons, suggesting that experiential/hedonic value is derived from WOM. Phelps, Lewis, Mobilio, Perry, & Raman (2004) found that although there were sometimes negative emotions experienced from receiving email WOM, there were also a variety of positive emotions from the social interaction surrounding the shared message. Jones et al. (2006) found that hedonic value positively predicted positive WOM, a relationship explained by the nature of hedonic value based on the “emotional worth of the shopping experience” (p. 979). Though Jones et al. (2006) did not find support for utilitarian value leading to the same result, the idea that any value received could increase the likelihood of positive WOM still seems to have face validity and so a relationship between utilitarian value and positive WOM is also suggested in the conceptual model. For instance, it seems reasonable that WOM could be used between consumers to share information about good deals and thus be motivated by utilitarian value from social shopping. Given the social nature of social shopping, it is expected that the typical social shopper would derive more experiential shopping value than functional shopping value, and that this hedonic value would have a greater impact on positive WOM than utilitarian value. Thus:

**P<sub>4</sub>:** Hedonic value would have a greater effect on positive word of mouth about the brand than utilitarian value from social shopping.

*Attitude toward the brand.* Hedonic and utilitarian values result from consumers being able to solve problems through consumption and to enjoy the experience of their consumption. Batra & Ahtola (1990) showed that attitude toward brands can be clearly traced to hedonic and utilitarian values of the attitude objects. Attitudes stem from beliefs related to the attitude object (Mitchell & Olson, 1981). Based on the experiences of the consumer thus far, beliefs are conceptualized as being generated related to brands and consequently brands as being the beneficiary of positive attitudes. As per Voss, Sprangenberg, & Grohmann (2003), attitudes can be seen as two-dimensional based on consumer assessments of hedonic and utilitarian value. Thus, it has been found that attaining hedonic and utilitarian value leads to attitude development (e.g., Childers, Carr, Peck, & Carson, 2001).

In the context of online shopping, both utilitarian and hedonic values have been shown to positively predict preference for a retailer, which is defined as “a disposition of the Internet shopper to favor a specific retailer” (Overby & Lee, 2006, p. 1161). Extending past research, the conceptual model equates preference for a retailer to a positive attitude toward the brand. In this way, attitude toward the brand is viewed as an outcome of both utilitarian and hedonic value. If the marketer offers a coupon on the social shopping site, then the consumers’ utilitarian value from social shopping should be enhanced. To the extent that social shopping facilitates the task of shopping (utilitarian), consumers should display a positive attitude toward the brand. Similarly, if the marketer rewards the social shopper with social rewards (badges and social esteem/status boosting rewards), this makes shopping fun, thereby increasing hedonic value. When the consumer receives hedonic value from the social shopping experience that the brand helped to create, the consumer should also have a positive attitude toward the brand.

Due to the utilitarian nature of the Internet (price savings and convenience), utilitarian value in particular has been shown to be a stronger predictor of preference than hedonic value (Overby & Lee, 2006). However, as per the previous discussion, the Internet and e-commerce have evolved to incorporate more



social dimensions. Thus, the conceptual model proposes a switch in the effect of shopping value in the long term, i.e., due to the social and “fun” nature of social shopping, hedonic value is expected to produce greater effects on attitude toward the brand than utilitarian value. The sales promotion literature lends some credence to this expectation. Research on sales promotions has shown that in the short term either monetary or non-monetary promotions can produce positive effects on attitudes but in the long term monetary promotions hurt the brand more than no promotions at all (Yi & Yoo, 2011). Repeated monetary promotions eventually lower the consumer’s reference price, thereby cheapening the brand by reducing consumer perceptions of brand quality (Yi & Yoo, 2011). Non-monetary promotions have been found to produce more favorable effects on attitudes toward the brand in the long run (Yi & Yoo, 2011). Applying this finding to the social shopping rewards framework, it is expected that hedonic value from social rewards would produce greater effects on attitude toward the brand than purely economic rewards in the long term. Therefore:

**P<sub>5</sub>:** In the long term, hedonic value will have a greater effect on attitude toward the brand than utilitarian value from social shopping.

The construct “attitude” has often been modeled as a shopping outcome, and can be useful because attitude helps predict behavioral intent. Thus, attitudes can be viewed as a partially or fully mediating variable, between social shopping value and behavior-related outcomes. The support for linking attitudes toward behavior-related outcomes, and specifically behavioral intentions, is strong. As an example, Britt (1966) suggests a link between attitudes and behavioral intentions. More specifically, attitude is seen as a predictor of purchase intent. In one study, two measures of attitude toward the site predicted purchase intent (see Boostrom, Balasubramanian, & Summey, 2013). In another study, brand attitude predicted purchase intent of green brands (see Hartmann & Apaolaza-Ibañez, 2012). More generally, Lafferty, Goldsmith, & Newell (2002) noted that the attitude to purchase intention link has been shown to be robust. In the context of the conceptual model,

attitude toward the brand can also be viewed as predicting purchase intentions. Therefore:

**P<sub>6a</sub>:** Attitude toward the brand will partially mediate the relationship between utilitarian value from social shopping and purchase intentions.

**P<sub>6b</sub>:** Attitude toward the brand will partially mediate the relationship between hedonic value from social shopping and purchase intentions.

Research on WOM has shown that customer satisfaction with a retailer positively predicts positive WOM (Jones et al., 2006). Research has also shown that attitude toward the brand can be predicted in part from customer satisfaction and shopping enjoyment (Leischnig, Schwertfeger, & Geigenmüller, 2011). Given the conceptual similarity between attitude toward the brand and customer satisfaction, it can be expected that if social shoppers show a positive attitude toward the brand, then they would also share the good word with other consumers by means of swapping ideas and product/brand information in social shopping. Thus:

**P<sub>7a</sub>:** Attitude toward the brand will partially mediate the relationship between utilitarian value from social shopping and positive WOM.

**P<sub>7b</sub>:** Attitude toward the brand will partially mediate the relationship between hedonic value from social shopping and positive WOM.

## CONTRIBUTIONS

The proposed conceptual model is the first to incorporate a social shopping rewards framework in the assessment of social shopping value. The model places emphasis on both types of social shopping rewards – economic and social. However, the model identifies the value of social rewards in enhancing hedonic value and resulting longer-lasting social shopping outcomes. In the following sections, the practical and theoretical contributions of the conceptual model are discussed.

### Contributions to Marketing Management

As Wang & Zhang (2012) noted, social commerce has brought about an evolution of four dimensions in online shopping: people (social shoppers), management, technology, and information. Management of a social shopping strategy is integral to its success. Marketing managers wishing to incorporate a social shopping rewards strategy may benefit from understanding the role of the rewards in generating shopping value and in shaping consumer behavior. Social shopping rewards may be integrated into several aspects of the strategic retail plan, including the pricing strategy (more closely associated with utilitarian value) and the building of the brand (more closely associated with hedonic value). Location decisions are also affected as social shopping can be considered part of a multi-channel strategy (Wang & Zhang, 2012), incorporating social as well as mobile applications that transform online shopping into a more social experience.

The conceptual model also brings about a critical realization to marketing managers: a social shopping strategy may transcend economic rewards. Based on existing theory, the conceptual model proposes that economic rewards would have a greater influence on utilitarian than hedonic value. However, overdependence on economic rewards may be harmful to the marketer's brand in the long run. As per industry reports, such economic rewards are losing their "luster" (National Retail Federation, 2012). Thus, social rewards may be a strategic addition to the marketer's social shopping strategy. Unlike economic rewards, these social rewards may strengthen rather than cheapen the brand, thereby increasing brand equity. As part of a social shopping rewards framework, social rewards may hold greater potential for more desirable social shopping outcomes than economic rewards. Following the advice given by Yi & Yoo (2011) on the advantages of non-monetary promotions, marketing managers are advised to consider expanding the rewards framework beyond economic rewards to include social rewards.

Though the creation of hedonic value (as opposed to purely utilitarian value) through social shopping may be challenging to

implement, marketers may benefit from investing in the tracking of social interactions. Marketers capable of both interacting with customers and building brand image through social rewards stand to gain a sustainable competitive advantage. It is recommended that marketers explore the services of emerging social shopping platforms to enhance a marketing strategy incorporating social rewards. For example, ShopSocially seamlessly integrates social commerce into the marketer's website (ShopSocially.com) and SocialRewards offers social shopping tracking and analytics of "brand mentions via Twitter, Foursquare check-ins and Facebook fan activity" (SocialRewards.com).

Finally, the conceptual model has implications for marketing practitioners wishing to invest in the social shopping channel. The evolution of e-commerce enables more social interactions during the shopping experience through new mobile applications that transform online shopping into a virtual game-like experience (e.g., Tip or Skip) and website add-ons that allow consumers to share their digital screen with other people prior to making purchase decisions (e.g., [www.clickwithmenow.com](http://www.clickwithmenow.com)). As the industry moves to adopt these new technologies, marketers have a responsibility to understand how consumer behavior adapts. In fact, many firms creating opportunities for consumer behavior adaptations may seek out venture capital investment to make their technologies a reality. Venture capitalists may want to know what motivates customers to use these applications and add-ons prior to investing. Therefore, the conceptual model is applicable in the innovation process for technology start-up companies in the social shopping arena.

### Contributions to the Literature

Many of the aforementioned contributions to marketing managers can only be fully realized with empirical testing of the conceptual model. However, since the model is grounded in theory on shopping motivation in both the online and offline worlds, it provides great potential for contributions to the literature on social shopping. The model answers calls in the marketing literature for further exploration of social shopping motivations (Wang & Zhang,

2012) and to build research on non-price promotions (Yi & Yoo, 2011). Grounded in multi-disciplinary research, the model proposes a duality of shopping rewards (economic and social), which create utilitarian and hedonic shopping value in social shopping. This value is modeled to affect attitude toward the brand and two behavior-related social shopping outcomes (purchase intentions and positive WOM). Thus, the major theoretical contribution of this research can be found in its ability to add to the emerging body of knowledge on how social shopping works.

The conceptual model also makes a contribution to the literature on types of social shopping rewards. While the construct of economic rewards has been clearly defined in the marketing literature, the model expands on an emerging type of reward in online social shopping, i.e., social rewards. In this regard, the construct of social rewards in social shopping is defined and the model identifies social rewards as instrumental in creating hedonic value. Given the nature of social shopping, the model proposes that hedonic value may produce greater and longer-lasting effects on social shopping outcomes than utilitarian value from social shopping. This proposition seems to fit conceptually with the finding in the sales promotion literature on the value of non-monetary rewards in building the brand in the long term (Yi & Yoo, 2011).

### FUTURE DIRECTIONS

The conceptual model represents the start of a research program aimed at understanding how rewards motivate the new-age shopper to engage in social shopping through the creation of shopping value. The next logical step is to test this model using existing social software or simulations and experimental models with customers from online goods and/or service e-commerce websites. Another avenue for future research is to consider moderators to the conceptual model. As suggested by Shen (2012), one such moderator could be the strength of ties between social shoppers. Existing research suggests that the nature of the relationship between co-participants may impact consumer behavior. In a recent product placement study, Coker, Altobello, & Balasubramanian (2013) found that attitudes

toward high-intensity plot placements were more favorable when consumers viewed with friends than with strangers. Similarly, the impact of social shopping rewards may depend on the type of social shopping site – i.e., whether it is populated more by stronger ties (friends) or weaker ties (acquaintances and strangers). Social rewards in a social shopping network of friends may be more impactful on hedonic value than one comprised of other consumers whom the individual may not know.

Another moderator to consider in future research is deal proneness in social shopping. In the sales promotion literature, this individual-difference factor has been shown to impact consumer behavior following sales promotions (e.g., Chandon et al., 2000; Yi & Yoo, 2011). Chandon et al. (2000) suggested that the typical categorization of deal proneness (i.e., coupon proneness and value consciousness) may be re-categorized based on motivational antecedents into utilitarian deal proneness and hedonic deal proneness. In the context of the proposed conceptual model, this re-categorization may warrant future research on the role of deal proneness in impacting the relationship between social shopping rewards and social shopping value.

Another consideration is the type of product. Some products seem to invite more social interaction than others. As per Overby & Lee (2006, p. 1164), “certain types of products are simply more experiential and thus more likely to invoke hedonic value.” One might call this the sociability of the product. For instance, friends may shop together for beer that they intend to share, but they will rarely shop as a group to select milk or juice. Product sociability would be a general likelihood to interact socially and includes mentioning the product in these interactions. It would entail one’s interest in sharing elements of experiences with a product. Product sociability is likely to be particularly compelling and may sway consumer activity. As a consumer, one may be excited about being associated with a product high on sociability, such as electric guitars and may wish to be seen as the King or Queen of the Fender Stratocaster electric guitar customers. However, it seems less likely that a consumer may want to be titled based on a product low on sociability, such as the King or

Queen of the Preparation H hemorrhoid cream. Thus, some form of product sociability may act in this model as a moderator of the impact of social rewards on shopping value, or perhaps instead work as an enhancement or impediment to experiencing social shopping.

Finally, this research can be viewed as potentially intersecting with the large and growing body of work on online consumer communities. Most of these online consumer community studies have dealt with consumers interacting with products as fans and exchanging knowledge while expressing interest in a brand or product category. As companies find ways to leverage these communities and develop new tools for social interaction in online purchasing, one could envision community involvement leading to more community-based social shopping experiences. This type of community social interactions could leverage the value-creating practices identified previously in the literature (Schau, Muñiz, & Arnould, 2009). For instance, group members might shop together through a tool online so that one user might explain to another user how particular products should be used and pass on skills associated with the online community and the product category.

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