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ITJ

ISSN 1812-5638

INFORMATION TECHNOLOGY JOURNAL

ANSInet
Asian Network for Scientific Information
308 Lasani Town, Sargodha Road, Faisalabad - Pakistan

Information Technology Journal 12 (21): 6115-6122, 2013
ISSN 1812-5638 / DOI: 10.3923/itj.2013.6115.6122

A Study of Factors Concerning Perceived Risk in C-to-C Commerce

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Abstract: Consumer to Consumer (C-to-C) internet commerce has enjoyed a stead expansion across the globe and it is a familiar mode of shopping for many consumers. Due to anonymity, C-to-C commerce is acknowledged more perilous than any other forms of E-commerce. Perceived risk is a prerequisite for successful business because consumers are hesitant to make purchases if they perceive a higher danger. The study is aimed to explore the relationship between perceived risk and making purchase and factors that lead to perceives risk for the sake of providing theoretic and practical bases for devising a set of flexible policies to stimulate successful C-to-C exchange. The study presents an overview of literature concerning perceived risk, whereby to model the stipulated variables and propose hypothesis. This study conducts an empirical analysis by using data obtained from the experiments which realistically simulate the C-to-C business landscape. The study finds that perceived risk by a buyer is influenced by net income, product type and price, retailer reputation, buyer risk preference and experience being deceived. More importantly, the study discovers that perceived risk exerts a strong clout on online purchase and adoption of a third payment seal. This needs to be considered by E-retailers in time of making online business strategies. This study concludes with pointing out limitations and future research.

Key words: C-to-C electric commerce, perceived risk, make purchase, E-commerce

INTRODUCTION

Perceived risk is a concept utilized by consumer behavior investigators to shed light on consumer perceptions of the uncertainty and adverse consequences of purchasing a merchandise or service. It is treated as an antecedent which directly and negatively affects a customer's perceived value and purchase intention. For online retailers hoping to make profits, it is necessary and imperative to attract consumers searching for information and subsequently to persuade consumers to make purchases by virtue of enabling them to sense the ongoing deal a reliable one. Consumers may refer to perceived risk as an essential factor concerning an E-transaction because they lack direct contact with the commodity in the online shopping market and find it difficult to believe commodity quality, fearing for suffering fraud. For online retailers, this consideration implies developing a strategy of reducing perceived risk will be constructive to promoting consumers to make an online purchase decision.

This is particularly significant to the consumer to consumer electric commerce (C-to-C), a typical embodiment of the internet's soul and advantage which bridges a transactional platform running 24 hours per day and seven days a week for substantial amounts of both consumers and retailers from expansive geographic locations, frequently different. Unlike the second-hand brick-and-mortar exchange, the C-to-C trade is immune to time and geographical position, thus cutting down massive marketing communication costs. Furthermore, the C-to-C commerce is more marked than any other online counterparts by attributes: lower market access, anonymity, blindness, no border, dealing uncertainty and dynamic and virtualness. These might provoke a more severe transactional peril and deception to the C-to-C deal. Thus, the online C-to-C transaction has been acknowledged to be perilous, relative to any other kinds of E- market. Furthermore, customers are inclined to be risk averse towards buying decisions [3] and may worry that an online purchase does not meet expectations due to perceived risk. Under this backdrop, for C-to-C retailers hoping to attract consumers to make purchases and make profits, it is necessary and imperative to explore what factors can have an impact on perceived risk and implement a set of flexible marketing policies for the conclusion of business.

The aim of this study is to contribute to the growing body of literature on perceived risk at the experimental level by answering critical research questions from C-to-C business practices. Our analysis develops the use of data obtained through the deep-laid E-commercial experiments which robustly imitate the C2C transactional scene. We consider main aspects (1) Methodologies, (2) Dealing entities or individuals, (3) Service supplier and (4) Product attributes. These allow us to address many of

the economic questions set out in E-commerce risk studies and to compare our results with the existing evidence. More importantly, to the best of our knowledge, many studies in the e-commerce context have collected data regarding successful shopping experiences. Yet, since successful cases represent only a portion of all consumer transaction behaviors, these prior researches may have painted an incomplete picture of C-to-C electronic dealings. So, our analysis presents a research design that enables us to address commercial experiences that gave rise to non-purchases as well as completed purchases. That is, we obtain data from both "successful" and "failing" cases and so can afford a more intact picture of C-to-C decision-making procedure. Finally, the findings of this study furnish quite a few insights to advance practitioners better appreciate the role of perceived risk and its antecedents in e-commerce and ultimately add perceived-risk reduction mechanisms into e-retail activity.

Our main empirical findings are as follows: (1) Six factors exert a clout on and are associated with consumer perceived risk in the C-to-C transactions, with large differences in magnitude. The highest coefficient is found for product price, the lowest for vendor reputation and the second highest for product type, (2) In line with a lot of literature, we find that perceived risk is strongly negatively related to purchase behaviors in the C-to-C market. The higher peril the retailed perceive, the less their E-buying likelihood will be and (3) There is a strong relationship between perceived risk and adoption of a third party payment seal and a high risk perception could prompt the trader to accept and utilize the presence of a third party payment seal. This doesn't agree with some literature that holds the presence of a third-party seal doesn't not strongly influence consumers' purchase.

In our study, we shall resort to a set of experiments to obtain access to data for our empirical analysis. Experimental subjects are undergraduates and graduates in Xi'an University of Technology, totaling to 105 consisting of 56 males and 49 females, 59 having had an online shopping experience, 6 having suffered E-fraud, 17 having consumed the service of third party payment guarantee. Because college students make up a large proportion of C-to-C customers and exhibit a prospective outlook concerning online business, they are typical of the whole consumers. Therefore, the conclusions to be drawn via the using of the

data originated from them can be robust and convincing, thus strongly shedding light on the C-to-C trading practices.

The remainder of the study is organized as follows. Section two contains an overview of literature concerning dimensions in the perceived risk. Model and hypothesis are presented in Section three. Section four embraces empirical results. The final section provides the findings and concludes with limitations and implications of this study.

REVIEW OF LITERATURE

Risk is a consumer's perception of the uncertainty and adverse consequences of engaging in an activity. Sweeney *et al.* (1999) point out that, when making a purchase, consumers look for not only immediate benefits, but also long-term implications of the purchase. Current literature demonstrates that perceived risk is a significant determinant which has an impact a consumer's purchase intention. Perceived risk embraces two components: Uncertainty (the likelihood of unfavorable outcomes) and consequences (the importance of a loss). It is less probable that consumers will purchase the commodity when perceiving higher risks. Previous studies have found that consumers perceive a higher level of danger in making a purchase through non-store channels.

Under the online shopping backdrop, perceived risk is the subjectively determined anticipation of loss by an Internet buyer in contemplating a particular online transaction. Consumers perceive higher risks in online shopping than in physical store shopping as they will be up against higher uncertainty in achieving shopping goals. So, perceived risk has triggered scholarly attention and interest.

Table 1 provides a detailed overview of international studies which delve into the factors in consumer risk perception. The studies can be subdivided into three groups: classical surveys which start with Kong and Zhou (2012), studies with a focus on E-commerce activity and studies with a focus on the Chinese E-commerce market. Consumer behavior studies often refer to perceived risk as a multidimensional construct (Crespo *et al.*, 2009). Stone and Gronhaug indicate that perceived risk is made up of six dimensions: fiscal, performance, physical, psychology, society and time risk. Recent years, some researchers find that perceived risk in connection with the E-commerce activity braces eight dimensional perils: economic, performance, physical, time/convenience, private, service, social and psychological while Dong argues that perceived risk has four forms of risks: core service, accompanying, privacy and false commodity (Lian and Lin, 2008).

Financial risk is the potential monetary loss as well as a consumer's perception of insecurity regarding online credit card usage (Forsythe *et al.*, 2006; Bao, 2011). Performance risk means the likelihood that a purchased commodity fails to provide the desired benefits or does

Table 1: Dimension of perceived risk

	Financial	Performance /functional	Time	Physical	Social	Physiological	Source	Privacy	Delivery	Payment	Inferior goods
Cox]	v		v			v					
Cunningham	v	v	v	v	v						
Roselius	v	v	v			v					
Jacoby and Kaplan	v	v		v	v	v					
Peter and Tarpey	v	v	v	v	v	v					
McCorkle							v				
Stone and Gronhaug	v	v	v	v	v	v					
Jarvenpaa andTedd	v	v			v			v	v		
Korgaonkar and Wolin	v							v			
Van Den Poel D and Leunis	v	v									
Bhatnagar *et al.* (study 1)	v							v			
Vijayasarathy and Jones	v	v			v			v			
Salisbury *et al.*								v			
Miyazaki and Fernandez								v			
Cases	v	v	v				v	v	v		
George								v			
Forsythe and Shi	v	v	v			v					
Chen and Dubinsky	v	v					v	v			
Lim	v	v	v	v	v	v	v	v			
Biswas and Biswas	v	v						v			
Bhatuagar and Ghose		v					v	v			
Pires *et al.*	v	v	v	v	v	v					
Ueltschy *et al.*	v	v	v	v	v	v					
Zhuang	v	v	v			v		v			
Doolin *et al.*	v	v					v	v			
Jing *et al*	v	v	v	v	v	v		v			
Sun *et al*	v		v	v	v			v		v	
Forsythe *et al.*	v	v	v								
Hassan *et al*	v	v	v	v	v	v		v			
Crespo *et al*	v	v	v		v	v		v			
Li		v				v					
Kong and Zhou					v			v	v	v	v
Liu	v		v	v				v		v	

not function appropriately (Crespo *et al*., 2009; Garbarinom and Strahilevitze, 2004). Physical risk is defined as the possibility of physical injury and damaged health incurred by a purchase

Social risk refers to a consumer's concern about how others perceive their purchasing behavior and about the potential loss of status (Crespo *et al*., 2009; Peter and Tarpey, 1975). Psychological risk means mental stress a consumer suffers owing to shopping behavior (Crespo *et al*., 2009; Bilkey, 1953; Bilkey, 1955) Time/convenience risk is the waiting time for receipt of purchases and the latent loss of time on account of inaccurate purchase decisions and inconvenience throughout the purchase process (Crespo *et al*., 2009; Forsythe *et al*., 2006; Walter *et al*., 2006). Privacy is understood to be the potential loss of control over personal information and inappropriate revelation of customer information Crespo *et al*., 2009; Kim *et al*., 2004).

Source risk denotes the possibility that the business which a consumer buys products from, is not trustworthy and credible (Ahuja *et al*., 2003; Liu, 2013) Among these types of perceived risk, past online shopping studies consider financial and product performance risks (Forsythe *et al*., 2006; Pavlou, 2003) to be the most influential when consumers make online purchase decisions.

As for the Chinese scholars, they have also put much effort into exploring perceived risk and its components. Jing *et al*. proposed a risk model including eight dimensions. Website shop, product, payment, delivery, subsequent sale and privacy losses can explain 71.65% of the overall risks while time, co-operator service, fiscal and website prestige losses are main origins of perceived risk in online group procurement.

These aforesaid studies all focus on perceived risk and its dimensions in connection with the B2C transactions. However, there have been few studies to deal with perceived risk under the C-to-C backdrop. This study is aimed at filling this blank by virtue of an analysis of the production and factors regarding perceived risk and providing valuable suggestions for an efficient operation and management of C-to-C exchange.

MODEL AND HYPOTHESIS

Opposition-based learning initialization: Customers frequently act on information that is less than complete and far from perfect. Consequently, they are often up against at least certain degree of peril or uncertainty in their purchasing decisions. Thus, their perceived risk, defined as a buyer's sensing of both the uncertainty of an exchange activity and a probable unfavorable

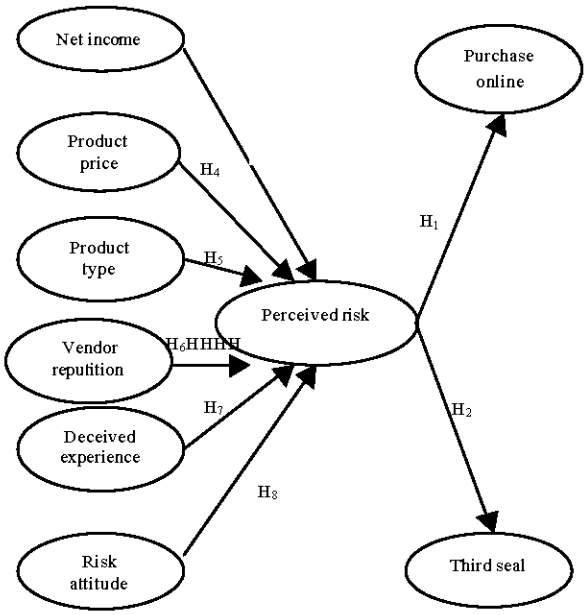

Fig. 1: Theoretic framework

consequence to be incurred thereof, has degenerated into a central factor consumers are sensitive to in the context of online purchase. This study integrates multi-elements and explores their effects on buyer risk perception in the C-to-C markets.

The Fig. 1 displays the model in connection with dimensions of perceived risks and hypotheses aimed at probing into the relationship between perceived risk and purchase behavior.

Regression specification: To analyze the relationship between received risk and real purchase, a logit model is used to explain a C-to-C shopping experiment result. The logit model is ideally suited for the binary nature of the fail/pass outcome. The probability P of concluding a deal online is expressed as

$$p_i = x'_i\beta \quad (1)$$

where, x_i is a vector of independent variables that may be both continuous and dummy and β is the parameter vector to be estimated. The values of P are not observed. For each observation, the measured dependent variable is Y = 1 if the transaction is concluded and Y = 0 if not. The maximum likelihood estimation procedure selects values for the parameters that make it most likely that the observed pattern of fail/pass would have occurred. Logic models are estimated with all data that are collected by experiments.

This specification is also employed to explore the relationship between perceived risk and the accepting of a third payment seal in C-to-C activity.

Hypothesis: Perceived Risk and Purchase Behavior. Consumers' perceptions of risk are thought to be central to unlike steps in the buying course: their assessments, choices and behaviors, since consumers are more frequently inspired to keep away from errors than to maximize utility in purchasing. So, perceived risk would diminish consumers' intentions to take advantage of Internet sites for exchange Thus, under the online environment, an increase in the risk perceived by customers could trigger a decrease of their intention to purchase through the web site. Furthermore, online shopping is generally recognized as potentially perilous due to E-cheating which adds to perceived risk and exerts a pessimistic clout on consumers' purchasing decision-making.

Generally, perceived risk can influence an individual purchasing behavior by weakening his purchasing motive and a consumer prefers to shun it when perceiving a higher peril. Therefore, perceived risk has an effect on buying behavior. Thus, we hypothesize the following.

Hypothesis 1: Purchasing behavior is negatively correlated to buyer perceived risk in the E-business of C-to-C.

Presence of a Third-party Seal. In time of perceiving a higher average, an individual intends to avoid it. With regard to risk reduction countermeasures for transactions in the C-to-C markets, there are different forms of services, amid which the presence of a Third-Party Seal (TPS) has enjoyed a wide use, adopted by leading online websites like eBay and Tao Bao. TPS aims to help reduce consumers' perceived risk in E-business, provide assurance to consumers that a Website discloses and follows its operation practices that it handles payments in a secure and reliable way and or that it complies with a privacy policy. The service concerning third party payment guarantee is conductive to getting rid of or dwindling cheats in commercial activities. However, it requires to be paid by dealers. When the perceived risk in trade becomes elevated, the utility out of employing this guaranteeing service is projected to be on the high side. Thus, in time of a higher perceived danger, one dealer is more inclined to employing this pattern. We propose the following.

Hypothesis 2: Utilizing the manner of a third party payment seal in the C-to-C marketplaces is positively associated with perceived risk.

Net income: Perceived benefit provides consumers with an incentive for purchase behavior. Considering the perceived benefit, Tarpey and Peter provided a valence framework which assumes that consumers perceive products as having both positive and negative attributes and accordingly consumers make decisions to maximize the net valence resulting from the negative and positive attributes of the decision. Likewise, Lewin and Bilkey hold the similar outlook.

This is same for the relationship between perceived benefit and risk perception as perceived risk relies on the latent severity of an expected negative consequence and a projected optimistic outcome. An increase of the number of optimistic outcomes can give rise to a reduction of risk perception level. In the C-to-C exchange, the positive result for a specific transaction is the net income arising from purchasing the agreed commodity. Provided there is a higher-than-expected net income in a trading activity, the buyer will not assume this purchase rather high perilous. The argument above suggests:

Hypothesis 3: Net earning is negatively related to perceived risk in the online C-to-C commerce.

Product price and type: Product quality uncertainty and monetary cost also play a very important part in inducing consumer perceived risk of online exchange. When the quality uncertainty of the auctioned commodity and cost are on the low side, clients will feel more relaxed in conducting auction. For example, the quality of a T-shirt can be checked easily compared with that of a used car and the cost of a T-shirt is much lower than a used car. Therefore, consumers feel less risk in doing transaction with a T-shirt than a used car. When the perceived product risk of transaction is high, the perceived trust of the auction website will become more important.

Concretely, price, being one of important features in connection with merchandise, represents a latent loss incurred by a fraud to the buyer. In the E-business of C-to-C, the higher the price for a commodity, the more likely a deception will occur, as the deceiver may substantially cash in on that price. So, we propose the following hypothesis.

Hypothesis 4: Commodity price is positively related to perceived risk.

In terms of Nelson, traded products online are divided into two categories: Searching-typed and experiencing-typed. In the case of searching-typed goods, consumers may make a judgment prior to purchasing, like book and CD and, in the case of experienced merchandises, they may get a clear understanding of their quality ahead of time, like garments and music instruments. Since, the two transactional parties in the C-to-C commercial practices suffer spatial separation, the buyer is able to make the relatively easy assessment of a searching-typed product but has difficulty with appraising an experiencing-typed one. So, consumers may have dissimilar risk perceptions concerning the two kinds of commodities in the online exchange. Accordingly, we propose the following.

Hypothesis 5: Buyer perceptive risk is related to product category.

Retailer Reputation: Positive reputation of the seller has been considered a key factor for reducing risk, creating trust because it provides information that the selling party has honored or met its obligations toward other consumers in the past. In the case of a company with positive reputation, one is likely to infer that it will honor its specific obligations to oneself and therefore conclude that the selling firm is trustworthy and credible.

For C-to-C business, dealer reputation is demonstrated by means of the dealer's accumulated creditability grade based on his forepassed E-business performance. A better reputation would contribute to a substantial reduction of perceived risk during the C-to-C business activity. Therefore, it is hypothesized that:

Hypothesis 6: Seller reputation online is positively related to buyer perceptive risk.

Experience being deceived: Personal experience imposes a magnificent impact on decision-making and satisfactory E-shopping experience can shrink consumer risk perception so as to increase buying willingness in the future. This, we propose the following.

Hypothesis 7: Deceived experience in the C-to-C markets is positively related to perceived risk.

Risk attitude: Risk attitude is defined as a decision-maker's tendency to take or avoid a risk, a psychological feature of his personality. Research has displayed that if an individual has risk preference, his perceived risk will be lower. Likewise, with regard to the C-to-C exchange, risk-seekers will perceive a higher level of risk than risk-averse individuals. Thus, we may hypothesize the following.

Hypothesis 8: Buyer risk attitude is related to perceived risk in the C-to-C markets.

EMPIRICAL ANALYSIS

Data collection: Assigned an account and a password in the experimental system, per subject logs in the system and accomplishes eighty dealings. Over each exchange, the buyer, leaning on the information from the interface and the stipulated price, makes the choice of purchasing the given commodity or not. Furthermore, he is called for to articulate his perceived risk. Provided choosing to purchase the commodity, he is supposed to indicate whether to accept the service of third party payment guarantee.

In our model, there are nine variables which must be set a specific value for the sake of testing the aforesaid hypotheses. Thus, we estimate online purchase at 0 in case of successful purchase and 1 if giving up business. With reference to the service of third side payment guarantee, 1 stands for adopting this service while 0 means turning it down. Perceived risk is measured by an estimation of the probability of being cheated and the degree to which the buyer undergoes loss from the fraud.

In the case of product price, type, net earning and vendor reputation, their figures are created and controlled by developing a utilization of an experiment system. Commodity price is set at two values: 100 and 1000 RMB. Goods are confined to two categories which are produced by the use of experimentation and whose images are put on show on the interface of computer. And 0 signifies searched-typed commodities such as CD players and printers while 1 is a symbol of experiencing cargoes including garments and shoes. Concerning net income and reputation, their values are continuous, higher than 0.

Cheats are made up through an experimental system and cheating experience is gauged by the quantity of deception the buyer suffers in the experimental landscape. We resort to eight questions to determine the value for buyer risk attitude.

Note that the following results all are estimated by using E-views6.0 and Table 2 demonstrates the results regarding variable statistics.

RESULTS AND DISCUSSION

Subsequent to the whole experiment process having been completed, there have been 74356 surfs, 7285 purchases and 1687 times for applying the manner of third party disbursement warranty. Note that variable statistics are registered on Table 1.

For the sake of test the effects which perceived risk has on the E-buying behavior and the third party imbursement guarantee, we recur to logit regression (Table 3). This table shows that the main effect of perceived risk on online purchase is significant, $W = 12.51$, $p = 0.0008$, indicating consumers prefer to make a purchase when they perceive a low risk. This result provides the evidence to support hypothesis 1. We also find that perceived risk by consumers exerts a significant clout upon the adoption of the service of a third party imbursement seal, $W = 589.68$ $p = 0.0002$. Thus, hypothesis 2 is supported.

With regard to the relationship between the independent variables: Income, product price, product type, seller reputation, buyer deception experience and risk attitude and the dependent variable: perceived risk, we adopt multiple regression and the results are displayed on Table 4. Table 4 demonstrates that the model and variables are robust, with $R^2 = 0.52$ and each t> its critical value, as to well fit the economic scenario. X_2, X_3 and X_5 are positively associated with perceived risk, indicating

Table 2: Variable statistics

Variable	Average	Standarded Error	Codomain	Variable	Average	Standarded Error	Codomain
Perceived risk (Y)	0.00996	0.00856	0.00245-0.0371	Vendor reputation (X4)	236.4	200.8	0-961
Net income (X1)	470.3	558.6	81.1-6233	Risk attitude (X6)	3.92	1.2881	0-7
Product price (X2)	0.2633	0.4754	0 or 1	Deceived experience (X5)	0.4475	0.7019	0-4
Product category (X3)	0.2594	0.4672	0 or 1	E-shopping experience (X7)	0.0279	0.1681	0 or 1
				Payment guarantee (X8)	0.2750	0.4764	0 or 1

Table 3: Relationship of perceived risk to purchase and third party seal

Hypothesis	Coefficient	Standarded error	Wald	P	Conclusion
No. 1	-3.81	1.26	12.51	0.0008	Accept
No. 2	84.01	3.51	589.68	0.0002	Accept

Table 4: Result of risk variables and perceived risk

Variable	Coefficient	Standarded error	T	P	Hypothesis	Conclusion
Net earning (X1)	-0.000016	9.79E-7	-15.67	<0.001	No. 3	Accept
Product price (X2)	0.02530	0.00123	20.69	<0.001	No. 4	Accept
Product type (X3)	0.00500	0.00070	7.21	<0.001	No. 5	Accept
Vendor reputation (X4)	-0.00011	0.0000016	-6.53	<0.001	No. 6	Accept
Deceived experience (X5)	0.00138	0.00045	3.16	0.0016	No. 7	Accept
Risk attitude (X6)	-0.0054	0.00025	-2.65	0.0076	No. 8	Accept
$R^2 = 0.52$						

that each higher value of them can lead to a higher growth of perceived risk while there are negative connections of perceived risk to X_1, X_4 and X_6 for their coefficients in the regression model being minus, representing the picture the less they are, the higher perceived risk will be. Interestingly, product price (X_2) is the strongest determinant, with the efficient coming at 0.025, hinting that a higher price could give rise to a higher risk perception.

CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

Findings: This study is motivated by better standing of dimensions of perceived risk and their effect degrees on it in the context of C-to-C commerce. The results demonstrate that perceived risk is the determinant of successful purchase and payment guarantee, factors of product, buyer and seller all are a contributor of buyer perceived risk. High earnings arising from commodity purchase may reduce perceived risk by the buyer during the course of dealing. The buyer holds that buying a higher –priced cargo is more likely to give rise to risk than a lower-priced one while experiencing-typed goods are riskier than searching-typed ones as the latter are judged in quality by virtue of personal experience. Online valuation of retailer reputation plays a critical role in consumers' estimating of risk degree. Trading with a retailer who enjoys a good reputation means a lower probability of being deceived in C-to-C business while a vendor at a lower score of prestige is more probable to make deceitful pretenses. Perceived risk is also influenced by the buyer's attitude toward risk, with a risk-hating shopper deeming the online dealing riskier than a risk-preferring one. In the C2C market, buyer experience exerts a clout on risk assessment, especially online experience of being cheated-the more it is, the more dangerous he maintains an E-transaction will be.

The conclusions have practical implications for guiding online C2C practices and venders' commercial strategies. In order to promote E-sales, particularly exchange of expensive and experiencing-typed commodities, it is necessary and imperative to adopt the risk-lowering countermeasures and service with a view of diminishing consumer risk perceptions. Services like payment guarantee should be prioritized in the C-to-C transactions, allowing consumers to feel the ongoing dealing being reliable.

It is of utmost importance for a vendor to obtain and sustain a high score in E-fame appraisal. Concerning the merchants that are just involved in online business and have not accumulated an adequate fame, employing promotion tactics such as abating commodity prices and providing more net incomes, can contribute to the reduction of perceived risk by the purchaser. Risk attitude is another important determinant to be put into considered by the vendor in the C2C exchange. Furthermore, there exists a sharp discrepancy in risk attitude between western and Chinese consumers due to the cultural difference; for instance, the U.S. customers are more sensitive to risk avoiding than China's counterparts. These are expected to be considered in ironing out a commercial puzzle in the online enterprises that are dedicated to expanding the global business.

Limitations and future research: Future research will be required to evaluate the generalizability of our findings. The participants in our study reflect a fairly typical band of actual and potential Internet customers but they may not be representative of all customers. For instance, older consumers perhaps are even less comfortable with cyber-shopping attributable to being in the habit of traditional purchase and high perceived risk. It is likely that for these consumers, perceived risk will loom even larger than for younger, more experienced individuals, so our specification may be equally if not more predictive of purchase decisions for such consumers. Yet study is called for contemplating whether this is true. Notwithstanding strong empirical support of our hypothesis, we would also want to identify the likelihood concerning alternative models for comprehending the relationships among the constructs explored by our research. For instance, we have proposed that online experience of being functions as a mediator which affluences purchase decision via perceived risk. Such factors as this might influence purchase decision directly, rather than indirectly via perceived risk. Therefore, future investigation needs to focus on alternative models which can integrate the relationships among risk variables, perceived risks and successful purchases, how these variables complement or contradict each other and the different conditions under which the models may or may not hold.

ACKNOWLEDGMENTS

Financial support from Horizontal Foundation Project No. 107-231208 titled Service Quality Measurement is gratefully acknowledged and No. 107-00 K 1208 with the heading of a Study of FDI Spillovers on Shaanxi's Industrial Composition and Scientific Research Project from Xi'an University of Technology titled A Study of Behavior Guidance In Network Virtual Community.

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