

Trust Cognition and Behavior of Consumers Based on the “GuanXi” Culture in China

Yang Hongtao¹, Yu Li³, Li Haiyan²

School of Economics and Management, Harbin Engineering University, Harbin, China.

¹yhtxt@hotmail.com, ²643076746@qq.com, ³985370944@qq.com

Abstract

The core of relationship management is to establish trust and long-term relationship with customers. The purpose of this paper is to explore cognitive process of trust and behavior of consumers based on the “GuanXi” culture in China. Firstly, we build the model of trust consideration factors adapted to the consumers in China, and the SEM is used for the empirical analysis. We find characteristics of customers, the organization characteristics and the relationship factor are main factors in the establishment of consumers’ trust. we find that the consumer’ individual factor, organizational factor, relationship factor have a direct influence on the trust of the consumers, The factor of relationship is more apparent in China. Consumers tend to generate trust on the company with good relationship. The result is useful for enterprises to identify the main factors affecting trust of consumers, provides a reference for cultivating the long-term trust relationship with consumers.

Keywords: Trust ; “GuanXi” culture; SEM

Introduction

One of the most important conceptual change from long-term relationships rather than just to look at marketing from the perspective of trading or exchange in the recent 20 years of marketing practice, comply with the concept of change, relationship marketing theory arises at the historic moment. Relationship marketing is defined as all marketing activities to establish, develop and maintain a successful relationship exchange by Morgan and Hunt .Morgan and Hunt put forward the trust and commitment are key determinants of success of relationship marketing among variables, are to distinguish the constructive and efficient relationship in the article "trust and commitment of relationship marketing theory . Lewis and, Weigert (1985) trust can form a good interpersonal relationship, is decided by rational calculation and emotion in a relationship is associated interpersonal attitude. The relationship and trust are closely linked in the China, the situation of Customer’s trust relationship in China is more important, because the trust of the relationship between customers and employees have ascribed (Yang Zhongfang, Peng si qing, 1999). Bian yanjie

(1997)points out strong relationship plays a more pivotal role than weak relationship under the planned economy system in China. Strong relationship rather than the weak relationship can serve as bridges if there are no links between individual in network under the social culture of China.

Many scholars launch a large number of empirical studies,to explore influential factors on formation of consumers’ trust ,but the focus of the studies is usually one kind of factors, and even a certain factor to explore the effect on trust. There are not many researches to study the influential factors of consumer trust in China. What factors affecting consumers’ trust under the background of Chinese culture? What factor is the most obvious? So the paper explores influential factors of consumers’ trust embarking from the context of Chinese culture.

literature review and the model building

Relationship marketing

Pioneers of relationship marketing theory- Dwyer points out that trust is the "hub" relationship, and commitment to represent the ties of "highest level". Garbarinco with Johnson distinguish the customers oriented by the high and low relationship and the empirical results show that for customers oriented by high relationship, trust and commitment provided by the service are the key factors driving the future purchase intention.

Generation of trust

By combing the 200 domestic and foreign literature, we sum up the main consideration factors affecting consumer trust as follows:

Table 1 consideration factors of consumers’ trust

consideration factors of consumers’ trust	main scholars
Environmental Norm	Baier(1986); McKnight, D.H., Cummings, L.L.,&Chervany, N.L (1998); TangZhuangju, WangChunxiao, CenChengde (1999) ;PangChuan, XueHuacheng (2004) ;JinYufang, DongDahai (2004)
Organizational characteristics	Moorman,Zaltman&Deshpande(1992); Gansean (1994);Doney & Cannon(1997);Garbarino&Johnson(1999),Swan,Bowers&Richardson(1999);Guenzi(2002)
size of organization	Doney&Cannon(1997);Jarvenpaa,Tractinsky&Vitale, (2000);Koufaris&HamponSosa(2004);Walczuch&Lundgren, (2004) Sandy C.Chen(2004)
organizational reputation	Doney & Cannon (1997); Fred Selnes (1998); Jarvenpaa, Trackinsky & Vitale(2000); arvenpaa et al. (2000) ; Gotsi & Wilson(2001) ; Ganesan&Shankar (1994) ; ChengKai(2001) ; TangZhuangju , WangChunxiao , CenChengde (1999);Sultan(2002);Guenzi(2002);McKnight,Choudhury&Kacmar(2002); Schoenbachler&Gordon(2002);siau&Shen(2003); Pavlou (2003) Koufaris&Hampton-Sosa(2004); Johnson&Grayson(2004); Xie(2009);Chang, Man Kit, Cheung, Waiman, Tang, Mincong(2013);
professional ability of staff	Crosby (1990) ; Shankar, Rangaswamy & Pusateri(2001);. Andaleeb&Anwar(1996);Doney&Cannon(1997);SwanBowers&Richardson(1999);

	TangZhuangju, WangChunxiao, CenChengde (1999);Kennedy, Ferrell&LeClarr(2001); Annie H Liu(2001);Johnson&Grayson(2005)
product quality	Kennedy, Ferrell&LeClarr(2001);Sultan(2002) ; Johnson&Grayson(2005)
Security policy	Kim & Benbasat (2003); Wang, Beatty & Foxy (2004); Stephens(2001); Urban (2000); Warrington et al.(2000) ; sirdeshmukh(2002)
professional skills of organization	Mayer(1995); Eeli Bendapudi(1997); David bejou(1998); TangZhuangju, WangChunxiao, CenChengde (1999);Robert W Armstrong,Siew Min Yee (2001); Corbitt, Thanasankit&Yi(2003); Sul&Han(2003); Siau & Shen(2003); Chen & Dhillon(2003) ;Koufaris & Hampton-Sosa(2004) ;
Personality traits	Hofstede(1980) ; Devinney & Pillutla(1998)
Trust tendency	Morgan and Hunt (1994);Mayer, Davis & Schoorman(1995);Creed & Miles (1996) Andaleeb and Anwar (1996) ; (Das & Teng(1998) ; Whitener,Brod, Korsgaard & Werner(1998); kim(2008);ZhaoLing(2009)
Experience in purchasing	Jacoby(1978); Garbarino&Johnson (1999) ; Moorman Deshpande & Zaltman (1993); Garbarino & Johnson(1999) ; Doney & Cannon,(1997);Swan , Bowers&Richardson(1999);Sultan(2002);Schoenbachler&Cordon(2002); Chen&Dhillon(2003);Corbitt, Thanasankit&Yi(2003);W alczuch& Lundgren(2004)
the third party certification	Milliman & Fugate, (1988); Strub & Priest(1976) ; Doney & Cannon (1997); Lou(2002); McKnight et al.(2002) ; Siau,Shen (2003); Chang, Man Kit, Cheung, Waiman, Tang, Mincong(2013)
service quality	TangZhuangju(1999) ; Kennedy Ferrell&LeClair (2001) ; Ferrell & LeClair(2001);JinYufang , DongDahai(2004) ; WangChunxiao(2004);Johnson&rayson(2005);XieFenghua (2005) ; jones,lenoard (2008)
relationship commitment	Ganesan 和 Shankar (1994); Fred Selnes(1998); johnson (2005)
similar value	Anderson Narous(1990); Samuelson(1993); .Morgan, Robert M, Hun(1994); Robert W Armstrong, Siew Min Yee (2001); Walczuch & Lundgren, (2004) ; Johnson&Grayson(2005)
interpersonal relationship	Anderson Narous(1990); Doney & Cannon(1997);Robert W Armstrong , Siew Min Yee(2001);KennedyFerrell&LeClair(2001);Siau&Shen(2003);Walczuch&Lundgren (2004);jin(2009)
Brand	Lau, Lee (1999);David,Sultan (2002)
Information quality	Siau,Shen (2003); kim(2008) ;Capistrano, Erik Paolo(2013)
integrity	Andaleeb&Anwar(1996); Schoenbachler&Cordon(2002);Siau&Shen(2003);Chen&Dhillon(2003)
consumers' personal characteristics	Chen & Dhillon(2003);PangChuan, XueHuacheng (2004)
consumer's knowledge	Andaleeb & Anwar, (1996) ; Sultan (2002) ; Walczuch&Lundgren (2004)
consumer'	Delgado-Ballester(2001); johnson&Grayson(2005)

satisfaction s	
familiarity	Doney & Cannon,(1997);Kennedy , Ferrell&LeClair(2001) ; Siau&Shen, (2003) ;Walczuch&Lundgren (2004)
degree of participation	Delgado-Ballester, Munuera-Alemán C2001)
social responsibility	Klein,Dewat(2004); Povato(2008);TianYang, WangHaizhong, ChenZengxiang (2009);
Social sharing	kim,prabhakar(2004); Chen, Jun, Shen Xiao-Liang2015;
user experience	Hoffmann, Christian Pieter, Lutz, Christoph(2014);
return policy	Chang, Man Kit, Cheung, Waiman, Tang, Mincong(2013)
enterprise performance	Shankara(2002)
strategic alliance	shapiro, D., Sheppard, B. H.,&Cheraskin, L(1992);MC Knight(1998);Cullen(2000)

Table 2 frequent statistics of consideration factors for consumers' trust

consideration factors	Frequency
organizational reputation	9.32%
professional skills of organization	9.04%
service quality	8.26%
size of organization	8.01%
interpersonal relationship	7.83%
interactive experience	7.36%
similar value	6.57%
Experience in purchasing	6.05%
product quality	5.32%
relationship commitment	4.63%
professional ability of staff	4.49%
integrity	4.21%
Trust tendency	3.17%
consumer's knowledge	3.01%
degree of participation	2.26%
familiarity	2.13%
Social sharing	1.27%
user experience	0.93%
marketing orientation	0.85%
strategic alliance	0.62%
return policy	0.57%
enterprise performance	0.53%
other	0.29%

We divided consideration factors in the table above into three categories: the elements of organizational factors, consumer individual factors, relationship factors, and factors

contain the index according to the frequency as follows: organizational factors (organizational reputation, professional skills of organization, quality of service, size of organization, product quality, professional ability of staff, integrity, security policy, social responsibility, marketing orientation, strategic alliance, return policy, enterprise performance); Consumer individual factors (Trust tendency, Experience in purchasing, consumer's knowledge, degree of participation, social sharing, user experience); Relationship factors (interpersonal relationship, interactive experience, similar value, relationship commitment, familiarity).

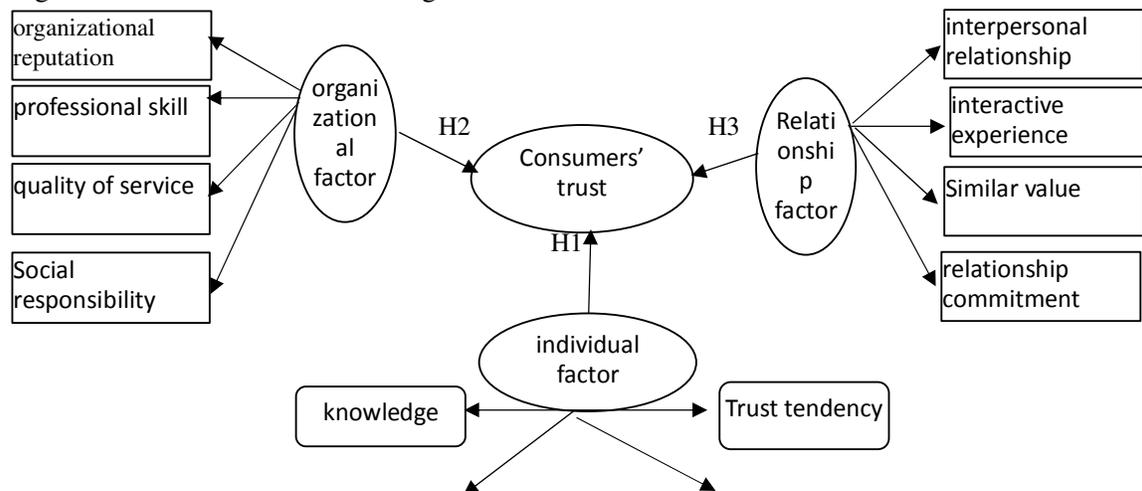
In the organizational factors, we find link or overlap between these factors, organizational reputation and size of organization are related, namely the reputable companies generally are larger. The analysis is feasible through consulting with experts and interviewing the respondents. So we choose organizational reputation as an index. Although the frequency of the researches on social responsibility is low, but the social trust lowly as a whole in China, the events that enterprises encroach on consumers' rights and interests are often occur of common occurrence lacking of social responsibility, social responsibility is the main factor of consumers concerning, thus, we choose social responsibility as an index.

In consumers' individual factor, frequency of social sharing is low, but this paper will be put it as an indicator of relational factors. Because social relations from a one out, is the increase of personal contact in China, the network of social relation is based on kinship. Consumers are often affected by the information obtained from the private network to determine.

Scholars launch a large number of empirical studies on the influence factors of consumers' trust, but the focus of the study often is one kind of factor, and even a certain factor to explore the effect on trust. And trust as a kind of social phenomenon, reflecting the social culture of the region of the country, there is cultural difference between China and western countries, thus, cultural background must be taken into account, according to the frequent statistics and the analysis of above, we propose 12 consideration factors, organizational factor (organizational reputation, professional skills of organization, quality of service, and social responsibility). Consumer individual factor (Trust tendency, Experience in purchasing, consumer's knowledge, social sharing); Relationship factor (interpersonal relationship, interactive experience, similar value, relationship commitment).

Model of trust considering elements of consumers is as follow:

Figure 1 Model of trust considering elements of consumers



Experience in purchasing

social sharing

Assumptions are as follows.

H1 consumer individual factor has direct influence on the trust of the consumers, the better the individual factors, the more prone to produce trust.

H2: organizational factor has direct influence on the trust of the consumer, the better organizational factor, the more prone to produce trust.

H3: relationship factor has a direct impact on the trust of consumer, the more favorable relationship factor ,the more prone to produce trust.

Research methods

variable setting and measurement

Through interviews with experts, to modify and supplement the terms of the scale. Then we interview with consumers before the survey to further modify and supply the scale, make the clauses to more accurate reflection of actual situation about consumers, and easy to be understood by consumers.

Sample and data collection

Adopt the method of stratified sampling, we extract 610 residents from Harbin urban and rural residents at least 18 years of age to survey. The age-distribution of the questionnaire is: 18 to 24 (14%), 25 and 34 (31%), 35 to 44 (25%), 45 to 54 (19%), 55-69 account(11%). In the career of respondents, including students, soldiers, enterprise employees, enterprise managers, self-employed people, private business owners, farmers and unemployed personnel, civil servants,rural migrant workers, civil servants and other professional practitioners, covering most profession in society, can better represent the overall status of occupation. We take one-on-one interview form, face to face to instruct fillingin questionnaires and receive 539 valid questionnaires, the recovery rate is 88.36%.

Questionnaire using Likert five-point scale, specific item in the table (see appendix 1)

SPSS 16.0 and AMOS 17.0 are used to analyse the collected data. Corrected Item Total Correlation analysis is used to purify the measurement terms; At the same time using Cronbach 's a coefficient to test internal consistency reliability of questionnaire. If the coefficient of remaining measurement terms is greater than 0.7,suggests that the scale has good reliability.12 items conform to the requirements of the reliability of measurement as the table below.

Table 3 dimensions of index and CITC analysis

Internal latent variables	external potential variable	observed variable	Initial CITC	Final CITC	αcoefficient after deleting	αcoefficient

					the item	
Consumers' trust (η)	individual factor (ξ_1)	Experience in purchasing (X1)	0.8439	0.8439	0.9103	Initial α coefficient =0.8376 Final α coefficient =0.8513
		Trust tendency (X2)	0.8564	0.8564	0.8946	
		knowledge (X3)	0.8173	0.8173	0.8753	
		social sharing (X4)	0.8354	0.8354	0.9134	
	organizational factor (ξ_2)	organizational reputation (X5)	0.8927	0.8927	0.9457	Initial α coefficient =0.8745 Final α coefficient =0.8932
		professional skill (X6)	0.8541	0.8541	0.9026	
		quality of service (X7)	0.8670	0.8670	0.8977	
		Social responsibility (X8)	0.8295	0.8295	0.9103	
	Relationship factor (ξ_3)	interpersonal relationship (X9)	0.8211	0.8211	0.8864	Initial α coefficient =0.8561 Final α coefficient =0.8748
		nteractive experience (X10)	0.8347	0.8347	0.8965	
		Similar value (X11)	0.8560	0.8560	0.9024	
		relationship commitment (X12)	0.8677	0.8677	0.9217	

(Cronbach' s α >0.6 reliability is acceptable, >0.7 high reliability)

Table 4 Variance-covariance matrix

Rowtyp	Varnam	X1	X2	X3	X4	X5	X6	X7	X8	X9	X10	X11	X12
COV	X1	0.762											
COV	X2	0.633	0.721										
COV	X3	0.526	0.493	0.687									
COV	X4	0.468	0.427	0.385	0.795								
COV	X5	0.513	0.401	0.465	0.358	0.890							
COV	X6	0.437	0.521	0.743	0.457	0.580	0.863						
COV	X7	0.441	0.411	0.351	0.360	0.524	0.620	0.771					
COV	X8	0.390	0.433	0.392	0.388	0.463	0.469	0.556	0.692				
COV	X9	0.308	0.323	0.316	0.307	0.311	0.304	0.317	0.326	0.543			
COV	X10	0.306	0.245	0.302	0.293	0.310	0.306	0.301	0.315	0.287	0.583		
COV	X11	0.289	0.296	0.257	0.25	0.272	0.291	0.313	0.325	0.277	0.320	0.568	
COV	X12	0.305	0.319	0.445	0.252	0.330	0.314	0.267	0.334	0.427	0.256	0.381	0.543

Table 5 Variances: (Group number 1-Default model)

	Estimate	S.E.	C.R.	P	Label
trust	.423	.076	5.349	***	par_12
r1	.054	.017	2.644	.007	par_13
r2	.178	.039	4.156	***	par_14
r3	.115	.057	3.341	***	par_15
e1	.301	.035	7.614	***	par_16
e2	.290	.036	7.211	***	par_17
e3	.225	.027	7.563	***	par_18
e4	.337	.042	8.755	***	par_19
e5	.359	.047	8.570	***	par_20
e6	.183	.026	6.672	***	par_21
e7	.331	.029	8.298	***	par_22
e8	.225	.027	7.543	***	par_23
e9	.264	.031	8.298	***	par_24
e10	.219	.032	8.359	***	par_25
e11	.249	.037	7.433	***	par_26
e12	.253	.038	7.617	***	par_27

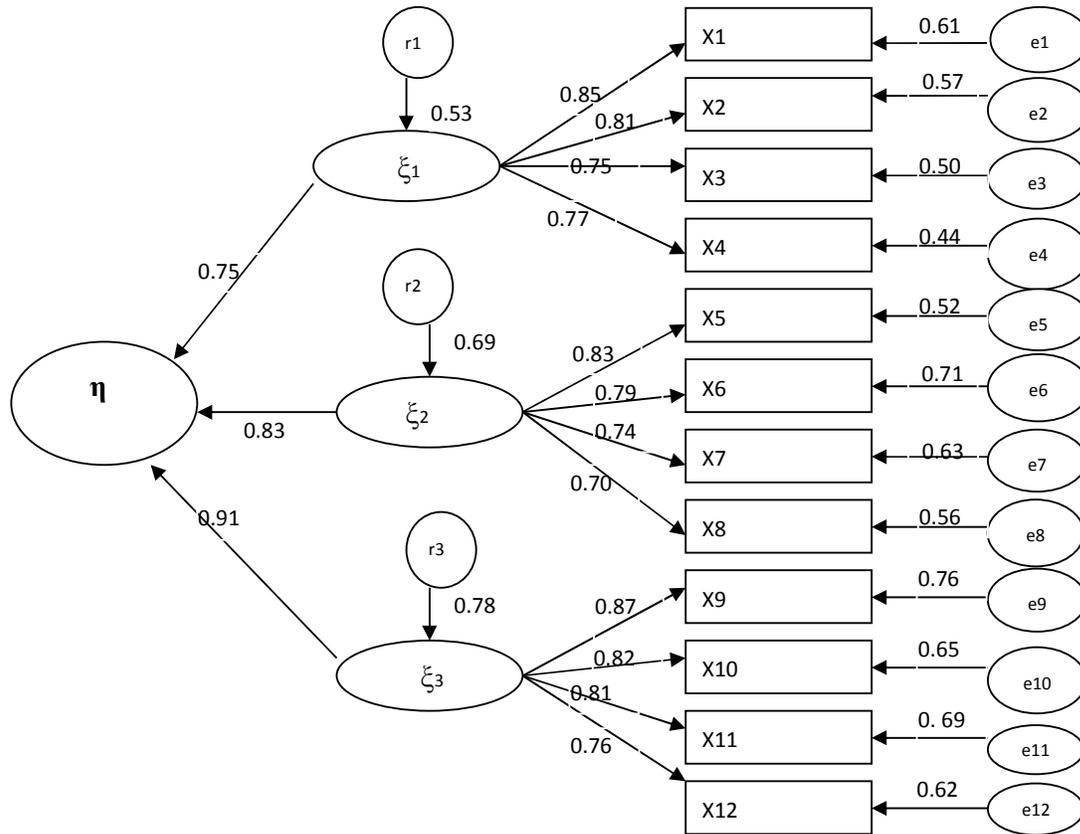
Table 5 for higher-order factor construct variance, 16 measurement error of the estimated parameters is positive and at 0.05 significant level, the variation of standard both estimates ranged from 0.017 to 0.076, model has not defined problem.

Table 6 index of "trust factor scale" of the second-order confirmatory factor analysis model adaptation degree

statistical test	RMR	χ^2	RMSEA	NNFI	GFI
result	0.036	63.010 (P=0.353)	0.001	0.974	0.928

The RMSEA is less than 0.05, NNFI is greater than 0.9, GFI is greater than 0.9, shows that the model has good fitting.

The optimal path graph completely standardized coefficient of the model



Results and Data Analysis

1. Through the optimal fitting model results and analysis on consumers' trust consideration factors discussed above, we find that the consumer' individual factor, organizational factor, relationship factor have a direct influence on the trust of the consumers, and H1: individual factor, the better the individual factor, the more prone to trust. H2: organizational factor, the more favorable the consumer more prone to trust. H3: relationship factor, the more favorable consumer more easy to generate trust.

2. Latent variables "consumer individual factor", "organizational factor" and "relationship factor" load are 0.75, 0.83, 0.91, this suggests that the relationship as dependent variable factor has the largest influence on fruit variable trust through output result of structural equation model.

3. (1) Purchasing experience of consumers in the individual factor load is 0.85, significantly greater than other factors and indicate that buying experience is more pronounced on the impact of trust;

(2) Organization's reputation in the organizational factor load is 0.83, significantly larger than the other, and indicate that reputation is more significant; on the impact of trust.

(3) Interpersonal relationship in the relationship factor load is 0.87, significantly

greater than other relational factors, and indicate that interpersonal relationship has more significant impact on consumers' trust.

Appendix

Q1: Whether the interpersonal relationship has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q2: Whether the interactive experience has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q3: Whether the similar value has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q4: Whether the relationship commitment has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q5: Whether the organizational reputation has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q6: Whether the professional skill has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q7: Whether the quality of service has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q8: Whether the social responsibility has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q9: Whether the trust tendency has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q10: Whether the Experience in purchasing has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q11: Whether knowledge has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence
Q12: Whether the ,social sharing has effect on your trust in the process of purchasing decisions ?	no effect	1	2	3	4	5	very important influence