

Manuscript Title: The Effects of Trust-Assuring Arguments on Consumer Trust in Internet Stores: Application of Toulmin’s Model of Argumentation

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APPENDIX 1. TRUST CONCERNS IN INTERNET SHOPPING (SOURCE: KIM AND BENBASAT 2003)

Trust Area	Concerns
Personal Information	Information transmission may not be secure
	A store may request unnecessary information about customers
	Personal information may not be protected
	Credit card shopping may not be safe
Product Quality/	Product quality may be low
Price	Price may not be reasonable
Customer Service	A store may not keep promised delivery dates
	Customers may not get proof of their orders
	Cancel and return processes may be troublesome
	A store may be hard to contact
	It may be difficult to get maintenance for a product
	A store may not pay attention to the resolution of consumers’ problems
	Advice provided by a store may not be correct
	Customers’ payment may be effective as soon as they place an order
Store Presence	A virtual store may not exist
	Customers may not be interacting with the web sites that they intend to visit

APPENDIX 2. TRUST-ASSURING ARGUMENTS AND RELATED LITERATURE

No.	Argument Element	Argument Content	Related Literature	Focus of Argument
1	Claim	Credit card shopping with us is safe.	Perceived effectiveness of credit card guarantees engenders buyer trust in the community of online auction sellers (Pavlou and Gefen 2004). Pennington et al. (2003) also showed that vendors' guarantees about privacy, security, and customer satisfaction increased the belief that the proper impersonal structures have been put into place for successful transactions, and eventually increased trust in electronic commerce.	Security
	Data	Since in general, you pay nothing due to the unauthorized use of a credit card.		
	Backing	Most credit card providers limit your liability up to \$50 Cdn and cover all charge resulting from unauthorized use of your credit card. If those credit card companies ask you to pay your liability, we will reimburse you that amount (up to the 50\$ Cdn) for you if it is a result of shopping with us using secure server. As a result, you pay nothing.		
2	Claim	You can be assured that your privacy is respected.	Suh and Han (2003) reported, based on their survey of Internet banking users, that perceptions of privacy protection has a positive impact on consumer trust in the e-commerce environment. Similarly, Malhotra et al. (2004) reported, based on field survey, that Internet users' information privacy concerns have negative effect on consumer trust in an online company.	Privacy
	Data	Since our privacy practices are held to high standard.		
	Backing	1) We do not sell or rent our customer information 2) We do not share identifiable information with a partner unless it is required to fulfill your order 3) Without your consent, we will never send you an email about our product. 4) ePrivacy oversees our compliance of these privacy policies.		

No.	Argument Element	Argument Content	Related Literature	Focus of Argument
3	Claim	Your personal information cannot be read as the information travels.	Wetsch and Cunningham (1999) have reported that strong security and privacy policies are related to consumers' trusting beliefs. Pennington et al. (2003) showed that vendors' guarantees about privacy, security, and customer satisfaction increased the belief that the proper impersonal structures have been put into place for successful transactions, and eventually increased trust in vendors in electronic commerce.	Security
	Data	Our secure server software (SSL) encrypts all of your personal information.		
	Backing	Since the encrypted messages can be decrypted only by keys and because SSL is among the best software available today for secure commerce transaction.		
4	Claim	Your e-mail input is important.	Gefen (1997) has demonstrated that customers gain increased faith in the integrity and benevolence of a vendor after they receive an "e-mail responding favorably to [the customers' previous] comments and suggestions." A survey by Fogg et al. (2001) has also demonstrated that quick responses to customer service questions and e-mail confirmation of transactions increase the credibility of a website. A person trusts a store if he or she can predict its behavior based on an assessment of its promises (Doney and Cannon 1997).	Integrity
	Data	Since it is used to contact you regarding the status of your order.		
	Backing	You will receive an automatic e-mail acknowledgement of your order. Follow-up e-mails verify shipping status and a final e-mail will confirm shipping.		

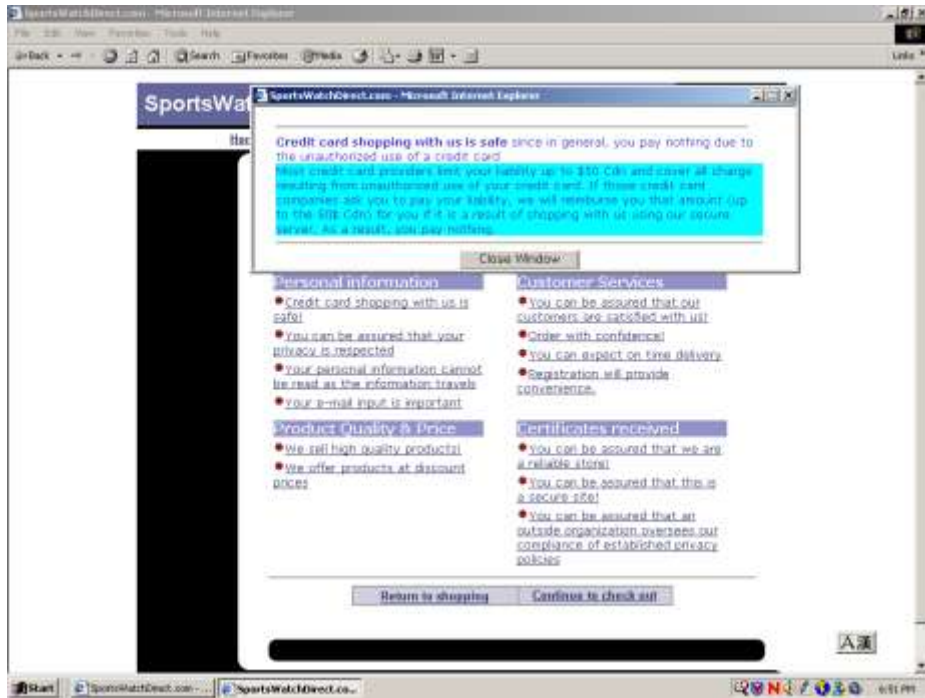
No.	Argument Element	Argument Content	Related Literature	Focus of Argument
5	Claim	You can be assured that our customers are satisfied with us.	Advertising reputation by quoting other customers' feedback (Lim et al. 2001) increased consumer trust. Pennington et al. (2003) showed that vendors' guarantees about customer satisfaction eventually increased trust in vendors in electronic commerce.	Satisfaction
	Data	Since customers' evaluation of our store is excellent.		
	Backing	We received 9.0 (out of 10) in overall satisfaction from our customers in our quarterly customer satisfaction survey.		
6	Claim	Order with confidence!	Pennington et al. (2003) showed that vendors' money-back guarantees eventually increased trust in vendors in electronic commerce. A person trusts a store if he or she can predict its behavior based on the understanding of the store (Doney and Cannon 1997).	Integrity
	Data	We provide an easy return process.		
	Backing	You may return any item that you buy from us within 30 days from receiving for a full refund. No questions asked! Sorry- shipping cost will not be refunded unless a return is a result of our fault.		
7	Claim	You can expect on time delivery	Cheskin Research and Studio Archetype/Sapient (1999) argues that strong fulfillment (e.g., the process works properly from the time a purchase process is initiated until the product is received) increase trust in an Internet store. A person trusts a store if he or she can predict its behavior based on the understanding of the store (Doney and Cannon 1997).	Ability
	Data	Since we ship your orders using well-known shipping companies.		
	Backing	We ship your order using Xpresspost, Canada Post, and SkyPack.		

No.	Argument Element	Argument Content	Related Literature	Focus of Argument
8	Claim	Registration will provide convenience.	Ease of Use (Gefen et al 2003) increases consumer trust.	Ease of Use
	Data	Since we will save the address and billing information you just entered.		
	Backing	Then, you don't need to type the same information again when you shop with us.		
9	Claim	We sell high quality products!	Head and Hassanein's (2002) survey reported that inability to sample a product is one of the reasons for not buying online. Consumers are less willing to buy on the Internet since the lack of direct experience in Internet shopping limits the ability of consumers to judge product quality (Jiang and Benbasat 2004). A person trusts a store if he or she can predict its behavior based on an assessment of its promises (Doney and Cannon 1997).	Ability/ Integrity
	Data	All products we sell are named brand products.		
	Backing	We sell Casio, Timex, Sportline, and FreeStyle.		
10	Claim	We offer products at discount prices.	A person trusts a store if he or she can predict its behavior based on an assessment of its promises (Doney and Cannon 1997).	Ability/ Integrity
	Data	Since our cost is lower than that of physical stores.		
	Backing	We save on average 20% of cost by reducing most fixed cost such as rent for store and other overhead.		

No.	Argument Element	Argument Content	Related Literature	Focus of Argument
11	Claim	You can be assured that we are a reliable store!	Reliability is related to competence and integrity, which are characteristics of store's trustworthiness. Kaplan and Nieschwietz (2003) reported that assurance perception is positively related to trust in online firms. Wang et al.'s (2004) experimental study reported that displaying seals of approval (e.g., TRUSTe, BBBOnline, and VeriSign) increased one's willingness to provide personal information.	Ability/ Integrity
	Data	We are a certified member of AAA eStore.		
	Backing	AAA eStore assures you that we have run this business for more than a year and have shown satisfactory consumer complaints management history. AAA eStore is a non-profit private organization dedicated to fostering fair and honest relationships between businesses and consumers.		
12	Claim	You can be assured that this is a secure site!	Wetsch and Cunningham (1999) have reported that strong security and privacy policies are related to consumer trusting beliefs, and Pennington et al. (2003) showed that vendors' guarantees about security increased the belief that the proper impersonal structures have been put into place for successful transactions, and eventually increased trust in electronic commerce.	Security
	Data	We are a certified member of SecureServer.		
	Backing	SecureServer Inc. assures our site as a real site and verifies that we use SSL to encrypt your personal information. Over 5,000 Web sites worldwide use SecureServer's SSL encryption technology.		

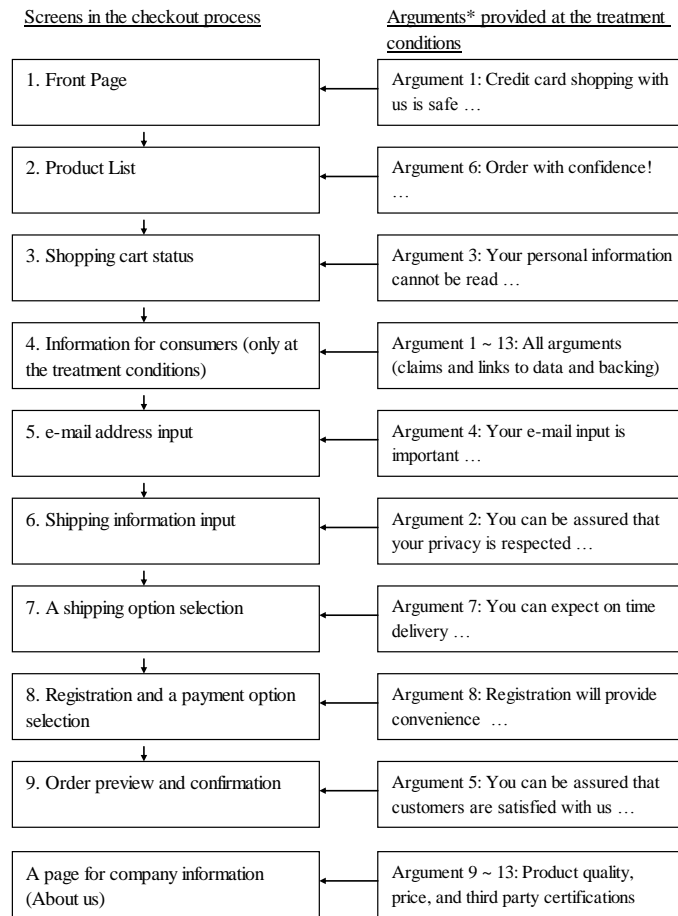
No.	Argument Element	Argument Content	Related Literature	Focus of Argument
13	Claim	You can be assured that an outside organization oversees our compliance of established privacy policies.	Wetsch and Cunningham (1999) have reported that strong security and privacy policies are related to consumer trusting beliefs, and Wang et al.'s (2004) experimental study reported that displaying seals of approval (e.g., TRUSTe, BBBOnline, and VeriSign) increased one's willingness to provide personal information.	Privacy
	Data	We are a certified member of ePrivacy.		
	Backing	The ePrivacy membership is awarded only to the sites that agree to comply with ongoing ePrivacy's monitoring. ePrivacy is an independent, non-profit privacy organization, dedicated to building users' trust and confidence on the Internet.		

APPENDIX 3. HYPERLINKS TO ACCESS FULL ARGUMENT CONTENTS



APPENDIX 4. THE CHECKOUT PROCESSES AND ARGUMENTS PROVIDED AT EACH SCREEN

(*: For full content of the numbered argument, please refer to appendix 2.)



APPENDIX 5. MEASURES

< Consumers' Trusting Belief >

The following questions ask you to compare the two stores that you have just seen and to indicate to what extent you prefer one to the other. Please answer them carefully and objectively. It is very important to answer all of the questions included in the questionnaire, without leaving out a single question. If you are not sure of the answer to a question, please give us your best opinion.

Examples

For example, three people *A*, *B*, and *C* have the following evaluation toward the stores they visited:

Person *A* found that the first store was slightly more attractive.

Person *B* found that two store was equally attractive.

Person *C* found that the second store was far more attractive.

Their responses are shown below:

Q: To which of the two stores does the following statement apply more?

The store is attractive.

The **first** store

7 6 5 4 3 2 1 0 1 2 3 4 5 6

1

0



A

B

The **second** store

7



C

That is, person *A* would select 1 on the left; person *B* would select 0, while person *C* would select 7 on the right.

To which of the two stores does the following statement apply more?

1. This store is trustworthy.

The first store	The second store
7 6 5 4 3 2 1 0	1 2 3 4 5 6 7

(Questions are asked in the same way with the following content)

2. I believe that this store keeps its promises and commitments.

3. I trust that this store keeps customers' best interests in mind.

4. This store does not have sufficient expertise and resources to do business on the Internet [Reversed]

<Personal Relevance>

Instructions: Please check the column that most clearly describes your experience for each adjective.

Example:

How would you rate **the second store's information for consumers that you actually noticed** in terms of the following adjectives? (The information for consumers is listed in the previous pages. You might not see some or all of the information. Therefore, please **do not include what you did not notice**. Please consider just the information that you actually noticed, read, or thought of in the second store. If you did not see any information at all, then please leave this page blank and continue to the next page.)

If you feel the second stores' information contents were **very** useful, then check under the column titled '7'. (e.g., If **quite** useful, please check under the column titled '6'. If only **slightly** useful, please check under the column titled '5'. If **neutral**, please check under the column titled '4'.)

Adjective	1	2	3	4	5	6	7	Adjective
Useless							√	Useful

Questions

How would you rate **the second store's information for consumers that you actually noticed** in terms of the following adjectives?

Adjective	1	2	3	4	5	6	7	Adjective
Irrelevant								Relevant
Mean a lot to me								Mean to nothing to me
Uninterested								Interested

APPENDIX 6. QUESTIONS ABOUT CHARACTERISTICS OF PARTICIPANTS

<Years of Internet Experience>

How long have you been using the Internet? (Ex: read news, e-mail, general browsing)

- | | |
|-----------------------|----------------------|
| 1) Never | 4) 1 – 2 years |
| 2) Less than 6 months | 5) More than 2 years |
| 3) 6 – 12 months | |

<Hours per Week of Internet Use>

How many hours per week do you spend on the Internet?

- | | |
|---------------------|-----------------------|
| 1) Less than 1 hour | 4) 11 - 20 hours |
| 2) 1 - 5 hours | 5) More than 20 hours |
| 3) 6- 10 hours | |

<Frequency of Purchase Online>

In the past 12 months, how many times have you made a purchase on-line?

- | | |
|---------------|-----------------------|
| 1) Never | 4) 5 – 10 times |
| 2) Once | 5) More than 10 times |
| 3) 2- 4 times | |

<Amount of Purchase Online>

In the past 12 months, about how much money have you spent shopping on-line?

- | | |
|----------------|------------------|
| 1) None | 4) \$500-\$1,000 |
| 2) <\$100 | 5) >\$1000 |
| 3) \$101-\$500 | |

<Level of Comfort with Shopping Online>

I am comfortable with shopping on-line (1: Strongly Disagree, 7: Strongly Agree)

<Pre-existing Level of Trust in Internet Stores>

In general, Internet stores are trustworthy (1: Strongly Disagree, 7: Strongly Agree).

I believe that Internet stores in general keep promises and commitments (1: Strongly Disagree, 7: Strongly Agree).

I trust that Internet stores in general keep their customers' best interests in mind (1: Strongly Disagree, 7: Strongly Agree).

<Gender and Age>

Gender: Male () Female ()

Age: () Years

APPENDIX 7. QUESTIONS TO CHECK ARGUMENT USE

INSTRUCTIONS: PLEASE RECALL THE SECOND STORE. YOU MIGHT (OR MIGHT NOT) HAVE NOTICED THAT THE STORE DISPLAYS SOME INFORMATION FOR CUSTOMERS.

Please check one among four choices for each piece of information. It is very important to answer all of the questions included in the questionnaire, without leaving out a single question. If you are not sure of the answer to a question, please give us your best opinion.

Answer Example: If you did not notice the information described in the first column in the second store, then please check in the column titled as "(1) Not notice" as shown below.

<i>Information (Argument Element)</i>	Did Not Notice	Saw	Read	Read & Thought
This store is one of the largest online stores selling watches.	√			

The meanings of choices are:

- (1) Did not notice: I did not notice the information at the second store.
- (2) Saw: I noticed the presence of the information but I did not read it.
- (3) Read: I read the information.
- (4) Read and thought: I read the information and spent some time thinking about the merit of the information.

Questions to Measure Argument Use

<i>Information (Argument Element)</i>	Did Not Notice	Saw	Read	Read & Thought
Credit card shopping with us is safe.				
Since in general you pay nothing due to the unauthorized use of a credit card.				
Most credit card providers limit your liability up to \$50 and cover all charge resulting from unauthorized use of your credit card. ...				
... (questions asked for all arguments in appendix 2)				

APPENDIX 8. FACTOR ANALYSIS AND RELIABILITIES OF CONSTRUCTS

Construct	Item	Factors			Cronbach's Alpha
		1	2	3	
Consumers' Trusting Belief	TB1	0.90			0.89
	TB2	0.93			
	TB3	0.88			
	TB4	0.75			
Pre-existing Level of Trust in Internet Stores	PRETR1		0.94		0.92
	PRETR2		0.97		
	PRETR3		0.88		
Personal Relevance	PR1			0.82	0.66
	PR2			0.74	
	PR3			0.74	

(Note:

1. Subjects in the control group were excluded because no arguments were provided to the control group and because personal relevance of arguments is irrelevant to those who are not exposed to arguments. A factor analysis and reliability statistics with all subjects including the control group are not reported here to save space. They also showed the same pattern; all items had loadings above the commonly specified minimum of 0.4 on the intended construct (Trusting Belief and Pre-existing Level of Trust) with satisfactory reliability and no items had cross loadings above 0.4 on the unintended constructs.
2. One subject did not complete questions about personal relevance hence the subject's were deleted in this analysis.
3. Extraction Method: Principal Component Analysis.
4. Rotation Method: Oblimin with Kaiser Normalization.
5. Loadings below 0.4 were suppressed.)

APPENDIX 9. EXPECTED RESULTS IF LENGTH IS A VALID ALTERNATIVE EXPLANATION VS. ACTUAL RESULTS

< Expected Results If Length is a Valid Alternative Explanation >

	Differences in Trusting Belief	
	Low Personal Relevance Sub-group	High Personal Relevance Sub-group
(Claim plus Data and Backing) vs. (Claim plus Data)	Significant	Not Significant
(Clam plus Data and Backing) vs. (Claim only)	Significant	Not Significant

<Actual Results: Holm's Sequentially Rejective Bonfferoni Test>

	Differences in Trusting Belief (t Values)	
	Low Personal Relevance Sub-group	High Personal Relevance Sub-group
(Claim plus Data and Backing) vs. (Claim plus Data)	Not Significant (1.261)	Significant (2.294*)
(Clam plus Data and Backing) vs. (Claim only)	Not Significant (0.573)	Significant (2.232*)

Note) * significant at 5% level of significance (one-tail)