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# Repurchase Loyalty for Customer Social Co-Creation E-Marketplaces

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**Significance.** Social co-creation refers to the process of using social networking as a vehicle to carry out customer co-creation engagements (Strohmeier, 2011; Williams, 2010). A market survey of 500 mass customization firms revealed that 73% of mass customizers do not yet provide the ability to share co-creations (co-designs) (Sloan, 2010). Some e-commerce leaders (e.g., Nike, Zazzle) have begun combining customer co-creation with social media tools in order to let customers share what they have created across social networks. More recently, NikeiD, the e-custom design app, brought in more than \$100 million in sales for the first time and in 2010 they increased sales 25% over the previous year (Sloan, 2010). In addition, co-creation e-marketplaces like Zazzle, CafePress, and Spreadshirt allow customers to design and sell their own creations. The purpose of this study was to examine (1) whether (a) usability and information quality, (b) visual appeal and image, (c) interactivity, and (d) web innovativeness, as website qualities, were related to value equity, (2) whether value equity was related to commitment and repurchase loyalty, and (3) the moderating effects of aesthetic appreciation and fashion opinion leadership. This proposed model may provide useful insights for apparel e-retailers to differentiate their e-strategies, to develop successful social co-creation websites, and to fulfill customers' increasing demand for more interactive and online social shopping experiences that utilize the customer's own creativity.

**Theoretical Framework.** Based on the Quality-Value-Satisfaction (QVS) model (Cronin et al., 2000), social co-creation website qualities were operationalized as four exogenous constructs: (a) usability and information quality (e.g., "The information on this website is effective."), (b) visual appeal and image (e.g., "This website displays a visually pleasing design."), (c) interactivity (e.g., "This website allows me to interact with other users."), (d) web innovativeness (e.g., "This website is innovative."). Value equity (e.g., "The quality-price ratio with the dealer with respect to social co-creation services is very good.") was examined as the value stage. Commitment (e.g., "I consider this website my first choice to order co-designed products.") and repurchase loyalty (e.g., "I intend to return to a social co-creation website.") were examined as the satisfaction stage.

**Method.** Data were collected from U.S. online apparel shoppers ( $n = 691$ ) using a consumer panel via an online survey. Participants browsed and experienced social co-creation websites (i.e., zazzle.com, cafepress.com) and then completed an online self-administered survey. Structural Equation Modeling and two-way ANOVA were used for data analysis.

**Participant Characteristics.** Participants were female (68.2%) and male (31.8%) online apparel shoppers. Participants' ages ranged from 18 to 69 ( $m = 41.59$ ). With respect to ethnicity, 84.8% were Caucasian. All income categories were represented, with \$50,000-\$59,999 as the median income. Additionally, 71.7% of participants had a four-year college degree.

**Results.** Confirmatory factor analysis was used to test the convergent and discriminant validity and composite reliability of the set of measures. A structural analysis was conducted using the maximum likelihood estimation method. The structural model exhibited a good fit with

the data ( $\chi^2 = 905.16$  with 309 *df*,  $\chi^2/df = 2.93$ , CFI = .97, NNFI = .97, IFI = .97, RMSEA = .053, and SRMR = .054). Regarding H1, commitment was positively related to repurchase loyalty ( $\beta = .41$ ,  $t = 12.62$ ,  $p < .001$ ). For H2, value equity was positively related to commitment ( $\beta = .61$ ,  $t = 17.33$ ,  $p < .001$ ) and repurchase loyalty ( $\beta = .68$ ,  $t = 15.41$ ,  $p < .001$ ). For H3-H6, usability and information quality ( $\beta = .14$ ,  $t = 1.99$ ,  $p < .05$ ), visual appeal and image ( $\beta = .22$ ,  $t = 2.82$ ,  $p < .01$ ), interactivity ( $\beta = .14$ ,  $t = 2.14$ ,  $p < .05$ ), and web innovativeness ( $\beta = .29$ ,  $t = 6.27$ ,  $p < .001$ ) were positively related to value equity. For H7, aesthetic appreciation moderated the link between value equity and commitment,  $F(1, 687) = 49.27$ ,  $p < .001$ . For H8, fashion opinion leadership moderated the link between value equity and repurchase loyalty,  $F(1, 687) = 13.56$ ,  $p < .001$ .

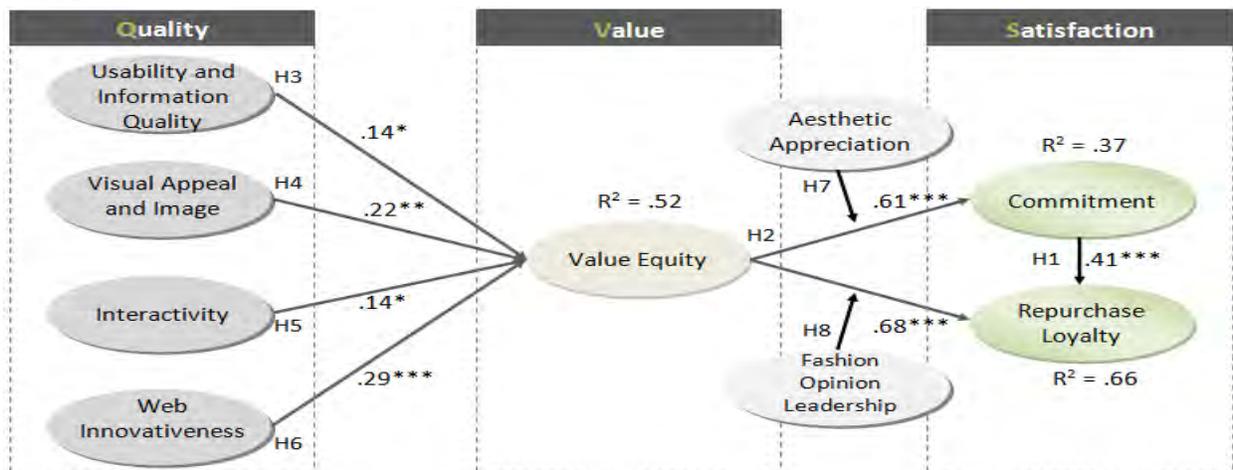


Figure 1. Final model

**Conclusions and Implications.** As customer product strategy, the findings indicate a crucial significance of reinforcing web innovativeness, visual appeal/ image, usability/ information quality, and interactivity. This study suggests apparel e-retailers need to enhance rich product visualization including realistic zoom and video, and need to provide creative suggestions regarding design and color coordination in order to optimize the customer co-creation experience and decision process. They also need to facilitate social media tools in order to help customers exchange opinions and real-world solutions with each other. In turn, this will help to create a dynamic, creative, and social collaboration process between a company and customers in the context of new product development.

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