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Trust under Pressure

Empirical Investigations of Trust and
Trust Building in Uncertain Circumstances

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9. Store and advertiser reputation effects on consumer trust in an Internet store: results of an experimental study

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INTRODUCTION

Web shopping has some clear advantages over shopping in regular shops: web shops are open 24 hours a day; the prices of products can be easily compared and are often lower than regular prices; the choice of products is often larger; and consumers don't have to leave their homes to buy something. Still, web shopping has developed at a much slower rate than expected and the amount of money spent online is only a very small percentage of the money spent in regular shops, even in countries where web shopping is popular (for example the USA). Apparently, besides the many advantages, there are also disadvantages to buying products over the web. For example, consumers can neither touch nor see the real products, the medium of the Internet is impersonal (there is no contact with a salesperson), and many people doubt the safety and privacy of online shopping (Palmer et al., 2000).

Underlying many of the disadvantages of online shopping seems to be a lack of trust associated with many aspects of the Internet. For example, lack of trust seems to underlie the refusal of many people to leave their email address to companies requesting it, one of the problems in using email as a marketing tool (Kerkhof et al., 2004). Lack of trust is also apparent when it comes to using information that is electronically available. For example, online medical information is notoriously unreliable (Culver et al., 1997). Using an experimental design, Eastin (2001) showed how users of online information utilize information about the credibility of the source

of medical information to evaluate the validity of the information provided on an Internet site, and thus try to prevent drawing false conclusions.

Lack of trust is typically associated with a reduced willingness to behave in a risky way. In their reviews of conceptualizations of trust in different fields, Rousseau et al. (1998, p. 395) state that the intention to accept vulnerability is typical for the definition of trust in several domains. Indeed, Jarvenpaa et al. (2000) show that lack of trust is an important determinant of the perception of risk concerning online buying, and that the perception of risk in turn is a good predictor of the intention to buy from an Internet store. In Jarvenpaa et al.'s study, the main factor influencing trust in an Internet store was the perceived reputation of the store. Internet stores that were perceived to have a good reputation were trusted far more than stores that lack a good reputation.

In this chapter we intend to contribute to our understanding of the origins of trust in an Internet store. First, we want to give the existing literature on reputation effects on online trust a stronger basis for drawing causal conclusions. Specifically, using an experimental procedure, we want to establish whether trust is indeed caused by the reputation of the Internet store. Moreover, we want to take into account not only the reputation of the store itself, but also of advertisers on the site of an Internet store. Before introducing our study, we will go into our conceptualization of online trust. Then, we will show how store and advertiser reputation may affect online trust.

ONLINE CONSUMER TRUST

Trust has long been recognized as an important factor in the decision to buy or not to buy a certain product at a certain store. Trust is defined by Doney and Cannon (1997, p. 36) as 'the perceived credibility and benevolence of a target or trust'. Credibility refers to the expectancy that the promises of the trustee can be relied on. Benevolence refers to the amount to which the trustee is perceived as genuinely interested in the trustor's welfare.

In the marketing literature, research has shown that consumer trust is a key element of the relation between buyers and sellers. For example, Swan et al. (1999) conducted a meta-analysis to show that consumers that trust a salesperson have a more positive attitude towards the salesperson, and a higher intention to buy from this salesperson. More importantly, in the end they do indeed buy more from a trusted than a distrusted salesperson. In another recent meta-analysis on trust in marketing channel relationships, Geyskens et al. (1998) show that trust also matters in a professional context where professional buyers buy from professional sellers.

The correlations between trust and its hypothesized consequences are not always very high. For example, the average correlation between trust and the intention to buy is 0.28 in Swan et al.'s (1999) meta-analysis. Doney and Cannon (1997) find no direct effect of trust on buying behavior. However, in many studies trust plays a key mediating role between buyer-seller channel characteristics and their consequences (Morgan and Hunt, 1994; Geyskens et al., 1998).

There is reason to assume that trust plays a more important role in an online context than in the traditional buyer-seller context. The main reason is that consumer trust is more difficult to establish in an online environment, because there is no physical interaction with the store, the salesperson or the product (Jasper and Quellette, 1994). All the cues that consumers have to check the trustworthiness of a store no longer work when they evaluate an online store. Moreover, the risk that something goes wrong with the product is larger because there is a time lag between buying the product and receiving it. When the product arrives, it has often undergone a long journey where much may have gone wrong.

Another reason that online trust is difficult to obtain, is that the investments needed to start an Internet store are lower, or perceived as lower, than the investments needed to start a traditional store. Even when the investments in an Internet store are high, they are less visible to the consumer, who does not get to see the buildings, salespersons and so on that come with a regular store (Doney and Cannon, 1997). The relatively low costs of starting an Internet store imply low costs of abandoning the store, making it relatively easy for an Internet entrepreneur to quit. Therefore, given the time lag between ordering a product and receiving it, and given the risk of a premature ending of the store, online consumers have few guarantees that the products they order will actually be theirs (Jarvenpaa et al., 2000).

Tan and Thoen (2001) distinguish two kinds of trust that matter in online buying: party trust and control trust. Party trust is similar to trust in the definition by Doney and Cannon (1997) mentioned earlier: it refers to trust in the other party. Control trust, on the other hand, refers to trust in the mechanisms that assure that you get what you have agreed upon with the other party, even if the other party is not able or not willing to deliver. For example, money-back guarantees offered by organizations other than the store itself may tell a consumer that, whatever goes wrong, the money paid to purchase a product will not be lost. Although the effect of reputation on trust is not per se limited to party trust, the way reputation effects have been treated in the literature typically refers to party, instead of control, trust. In the following, when we refer to trust, we mean party trust.

REPUTATION AND CONSUMER TRUST

Many companies already have a track record before going online. In fact, most of the companies that perform well on the Internet are companies that have a brand name that is known to people. Jarvenpaa et al. (2000) explain this phenomenon by referring to the reputation of the company: companies that go online without any indication of past performance have no reputation to lose. This makes it more risky to consumers to trust the company. On the other hand, companies that do have an off-line past, have a lot to lose by starting an Internet store that does not live up to its promises. Jarvenpaa et al. (2000) tested the reputation effect on online trust by having their participants surf to a selection of existing Internet stores that differed in reputation. They showed that the perceived reputation is strongly related to trust in the Internet store. The correlations they found ranged from 0.60 to 0.71.

Another interesting study of the effects of reputation in an online situation is provided by Standifird (2001). Standifird conducted a study among users of eBay, the world's largest online auction. The behavior of users of eBay gets rated every time they perform a transaction. The mean rating of their behavior by other users was used by Standifird as a measure of their online reputation. Standifird showed that a positive reputation had only a mild positive effect on the final bid price, but that a negative reputation had a strong negative effect on the final bid price. Although trust was not the dependent variable in this study, the study does show that reputation matters highly in online situations.

Reputation is defined by Fombrun (1996, p. 37) as 'the overall estimation in which a company is held by its constituents'. Doney and Cannon (1997) refer to several trust-enhancing processes that can explain the effect of reputation on trust. First, they refer to a calculative process that could mediate the effect of reputation on trust: reputation usually does not come without significant investments and firms will be reluctant to lose these investments by acting in an untrustworthy way. Doney and Cannon (1997) also mention the process of transference. Trust, they state, can be transferred from one trustor to another without actually having any interaction with the trustee. Trust is inferred from a third party's experiences with the trustee.

Although reputation in an online situation has been strongly associated with trust in several studies, and although there are sound theoretical reasons to assume that reputation causes trust, instead of vice versa, the relation between trust and reputation has never been studied in such a way that one can draw strong causal conclusions about the effect of reputation on trust. For example, as Jarvenpaa et al. (2000) note themselves, the sites of the Internet stores that they used in their study differed in many other

aspects than just reputation. Ease of use and site design were not held constant and may well have an effect on consumer trust (Kim and Moon, 1998). Other studies of reputation and trust that were not conducted in online situations also use correlational data (for example Anderson and Weitz, 1989; Ganesan, 1994).

One aim of our study is to provide the literature with a stronger basis for drawing causal conclusions about the relationship between trust and reputation. This is important because correlations between trust and reputation could be the result of initial trust and a subsequent false consensus effect (Ross et al., 1977). Research on the false consensus effect typically shows that people tend to believe that most other people think about an issue in the same way that they do themselves. Trusting a company may lead us to believe that most other people trust this company, and, thus, that this company has a positive reputation. This way, trust causes a store's reputation, instead of the other way around. Therefore, the first aim of our study is to test whether the reputation of an Internet store does indeed have a causal effect on trust in the Internet store. We will test this by experimentally varying reputation while holding other factors constant. Our first hypothesis is:

H1: Trust in an Internet store is enhanced by a good reputation of the Internet store.

On an Internet site, the Internet store itself is in many cases not the only firm with a reputation. Many sites of Internet stores contain banners of other firms that also come with a reputation. We expect that the reputation of the advertiser may also have an effect on the trustworthiness of the Internet store. When online consumers enter an Internet store for the first time, they will look for cues that tell them something about the trustworthiness of the Internet store. This may be derived from the reputation of the Internet store itself, as we have already argued. Assuming again Doney and Cannon's (1997) transference and calculative processes, trust may also be derived from the reputation of the advertiser. When a banner comes from an advertiser with a good reputation, this may tell a consumer that a trusted third party cooperates with the potential trustee.

Of course, the reputation of an advertiser is less informative about the trustworthiness of an Internet store than the reputation of the store itself. However, we think that online consumers are no different from people in many other situations: they use all information that is readily available, and easy to process, to make up their minds. The judgment they derive from this information is good enough, rather than optimal (Fiske and Taylor, 1991). Thus, we expect that online consumers will not check the trustworthiness

of an Internet store by checking all possible information that they can get their hands on, regardless of whether this information is easy to get, or easy to process. On the contrary: consumers are more likely to conduct a quick scan of the trustworthiness of an Internet store, especially when the stakes are not that high because there is not yet a strong intention to purchase a product online. In such a quick scan, the advertisers' reputation can be informative about the trustworthiness of the Internet store.

Bruner and Kumar (2000) showed that the attitude towards the banner is indeed correlated with the attitude towards the site. Although their study is not about reputation and trust, their results show that banners may have an effect quite different from what they typically aim at. The sentiment towards a banner and the company behind the banner may spread to the sentiment towards a site and, eventually, to the company supporting that site.

Therefore, our second hypothesis is as follows.

H2: Trust in an Internet store is enhanced by a good reputation of an advertiser on the site of the Internet store.

In an experimental study about the communication of trustworthiness, Elsbach and Elofson (2000) follow the reasoning by Fiske and Taylor (1991). They state that people are limited in their capacity to process information, and rely heavily on cues that enable them to come to an adequate, rather than an accurate, evaluation of trustworthiness (Elsbach and Elofson, 2000; Fiske and Taylor, 1991, p. 13). The process of looking at cues, Elsbach and Elofson state, is hierarchical: the trustworthiness cues are not processed at the same time, but evaluated separately. As soon as one cue is found to be a sign of trustworthiness, information processing stops. This indicates that having two cues that indicate trustworthiness, in our case a good reputation of both the Internet store and the advertiser, does not add to perceived trustworthiness when compared to a site with only one trustworthiness cue. This leads us to our third hypothesis about the interactive effects of both the reputation of the Internet store and the reputation of the advertiser. We expect that both the reputation of the advertiser and the reputation of the Internet add to the perception of trustworthiness when compared to a site with none of these cues. However, a site containing two trustworthiness cues will not be perceived as more trustworthy than a site with only one trustworthiness cue. Thus, our third hypothesis is as follows.

H3: The site of an Internet store with a good reputation and containing a banner of an advertiser with a good reputation will not be perceived as more trustworthy than a site with only one trustworthiness cue.

METHOD

Overview of the Study

To test our hypotheses, we used an experimental design. We made a fictitious site of an Internet store, and manipulated the reputation of the Internet store itself and the reputation of an advertiser on the site. This design enables us to test the hypotheses regarding the effects of reputation on trust in the Internet store. Moreover, by combining the two experimental manipulations we could also test the interactive effects of the reputations of both the Internet store and the advertiser. The four versions of the fictitious Internet site were shown to students, who first answered some questions regarding their Internet experience, then watched the Internet page, and then answered questions regarding their trust in the Internet store.

Participants and Procedure

The participants were 88 students at the Vrije Universiteit in Amsterdam, The Netherlands and consisted of 47 males and 41 females. More than half of the respondents were younger than 25 years. All of them had experience surfing on the Internet: 21.6 per cent surfed on the Internet for more than 10 hours per week, 54.5 per cent surfed between 2 and 10 hours, and 23.9 per cent less than two hours. Most participants (78.4 per cent) had never purchased a product over the Internet.

The participants were randomly assigned to one of four experimental conditions in a 2 (reputation of the Internet store, non-reputable store vs. a reputable store) \times 2 (reputation of the advertiser, non-reputable advertiser vs. a reputable advertiser) between subjects design. The participants were asked to first answer some general questions (for example demographics, Internet use). Next, we showed them a color print of a fake webpage, containing our manipulation, of an Internet store selling computers. This was followed by questions about our main dependent variables.

The Experimental Design

In the 2 by 2 experiment we manipulated the reputation of both the Internet store and the advertiser. A webpage of a company selling computers over the Internet was designed. The reputation of the Internet store was manipulated by assigning to half of the webpages the name of a well-known computer seller (Compaq Computers) and the other half the name of a computer seller that is unknown in the Netherlands (Tiny Computers). The reputation of the advertiser was manipulated the same way. We designed

an advertisement for a company providing financial loans. In one condition the advertisement came from a well-known Dutch bank (ABN AMRO), in the other condition the advertisement came from an unknown financial company called Optimaal Advies. This resulted in four webpages (see Table 9.1).

Table 9.1 Experimental design

Reputation of Internet store:	Reputation of advertiser	
	Reputable advertiser	Non-reputable advertiser
Reputable Internet store	Compaq Computers & ABN AMRO	Compaq Computers & Optimaal Advies
Non-reputable Internet store	Tiny Computers & ABN AMRO	Tiny Computers & Optimaal Advies

Measures

Trust in the Internet store was assessed using four items similar to those used in the studies of Jarvenpaa et al. (2000) and Doney and Cannon (1997): 'This Internet store is trustworthy', 'In my opinion, this Internet store lives up to its promises', 'If anything goes wrong with the product, this Internet store will deal with my complaints in a serious way' and 'I trust this Internet store not to take advantage of me' (1 = strongly disagree, 5 = strongly agree, Cronbach's Alpha = 0.84, $m = 3.24$, $SD = 0.67$).

To validate our measure of trust in the Internet store, we also assessed two other variables from Jarvenpaa et al.'s (2000) study. *Risk perception* was assessed with four items that were introduced with the text: 'Suppose you wanted to buy a product at this Internet store, what are in your opinion the chances that something will go wrong with (a) the payment, (b) the working of the product, and (c) the physical state of the product (1 = very low, 5 = very high). Then, participants were asked 'How risky do you think it is to buy a product on the Internet at this organization? (1 = not risky at all, 5 = very risky; Cronbach's Alpha = 0.72, $m = 2.84$, $SD = 0.59$). The *intention to buy* at the Internet store was assessed using a single item: Suppose you wanted to buy a computer over the Internet. What would be the chance that you would go to this organization? (1 = very small, 5 = very large; $m = 2.33$, $SD = 1.08$).

To check whether our manipulations worked as intended, we included two manipulation checks. As a check for the manipulation of *reputation*

of the Internet store, we asked the respondents to indicate their agreement with the item: 'This Internet store has a good reputation' ($m = 3.32$, $SD = 0.75$). As a check on our manipulation of the reputation of the advertiser, we assessed respondents' attitude towards the advertiser with a single item: 'What do you think of the site in terms of the advertiser?' (1 = very negative, 5 = very positive; $m = 2.99$, $SD = 1.02$).

Analyses

To test our three hypotheses, we conducted four separate analyses of variances (ANOVAs). ANOVA is the most common way of analyzing experimental designs (Kieess and Bloomquist, 1985). First, we conducted two ANOVAs to check whether the manipulations worked as intended. Second, to test the first two hypotheses, we conducted a 2 by 2 ANOVA with the reputations of the Internet store and the advertiser as independent variables, and trust in the Internet store as the dependent variable. Third, we conducted an ANOVA with a priori contrasts to test our third hypothesis regarding the combined effect of the reputation of the Internet store and the advertiser. Fourth, to validate our measure of trust in the Internet store, we conducted two extra ANOVAs to see whether, as in the study of Jarvenpaa et al. (2000), trust in the Internet store mediates the effect of reputation on risk perception and the intention to buy at the Internet store.

Since the demographic variables (for example sex, age) and experience with surfing on the Internet, or buying online products, showed no relation with our dependent variables, we report the results of the analyses where these variables were not included as covariates.

RESULTS

Manipulation Checks

To see whether our manipulations of the reputations of the Internet store and the advertiser worked as intended, we conducted two ANOVAs. As intended, the 2 by 2 ANOVA on the reputation of the Internet store revealed a main effect of our reputation manipulation, $F(1, 87) = 26.84$, $p < 0.001$. The reputation of the reputable computer seller is better than that of the non-reputable computer seller (resp. $m = 3.43$, $SD = 0.64$, and $m = 2.72$, $SD = 0.68$). There were no effects of the reputation of the advertiser, and no interaction effects of the reputations of the Internet store and the advertiser.

We also checked whether the attitude towards the advertiser was more positive in the reputable (vs. the non-reputable) advertiser condition. As intended, the 2 by 2 ANOVA revealed a significant main effect of the reputation of the advertiser manipulation, $F(1, 87) = 12.57$, $p < 0.001$. The attitude towards the non-reputable advertiser is more negative than the attitude towards the reputable advertiser (resp. $m = 2.64$, $SD = 0.99$, and $m = 3.34$, $SD = 0.94$). Unexpectedly, and interestingly, we also found a significant main effect of the reputation of the Internet store. Regardless of its content, the banner is judged more positively when it is placed on the site of the non-reputable (vs. the reputable) computer seller (resp. $m = 3.27$, $SD = 0.87$, and $m = 2.70$, $SD = 1.09$; $F(3, 84) = 8.57$, $p < 0.001$). Again, there were no interaction effects of the reputations of the Internet store and the advertiser.

Hypothesis Testing

To test our first two hypotheses, we conducted a 2 by 2 ANOVA on trust in the Internet store. Figure 9.1 shows the results. Regarding the effect

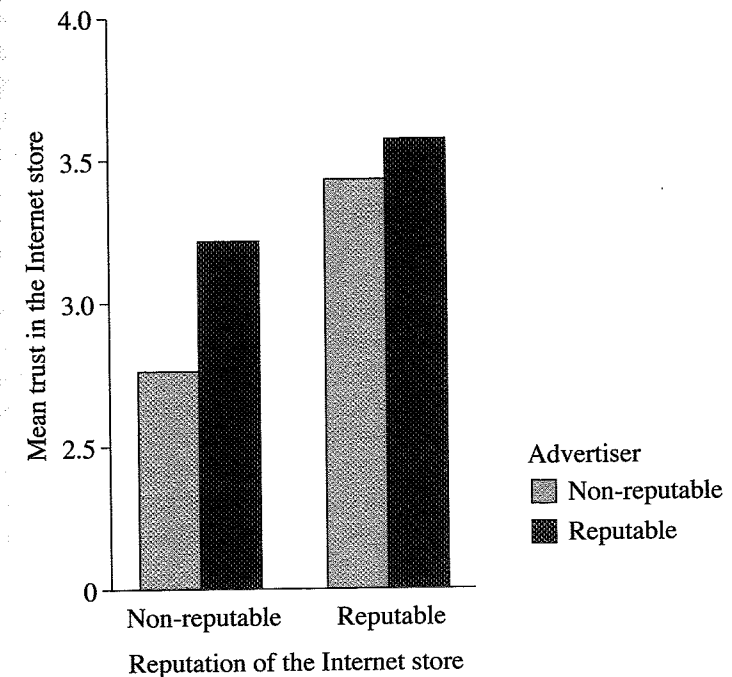


Figure 9.1 Reputation effects on trust in an Internet store

of the reputation of the Internet store on trust in the Internet store, the analysis revealed a main effect of the reputation of the Internet store, $F(1, 87) = 15.70, p < 0.001$. Trust in the Internet store is higher for the reputable computer seller ($m = 3.50, SD = 0.63$) than for the non-reputable computer seller ($m = 2.99, SD = 0.62$). This confirms our first hypothesis.

Regarding the effect of the reputation of the advertiser on trust in the Internet store, the analysis revealed a main effect of the reputation of the advertiser, $F(1, 87) = 5.24, p < 0.05$. Trust in the Internet store is higher when the banner comes from a reputable advertiser ($m = 3.39, SD = 0.63$) than when it comes from a non-reputable advertiser ($m = 3.10, SD = 0.69$). This confirms our second hypothesis.

In our third hypothesis we stated that the site of a reputable Internet store containing an advertisement of a reputable advertiser would not be perceived as more trustworthy than a site with only one of these trustworthiness cues. Finding a pattern of means in the four cells in which only the mean of the cell containing a non-reputable Internet store and a non-reputable advertiser deviates, would confirm this hypothesis. Figure 9.1 shows the pattern of means in the four cells.

Confirming our third hypothesis, an ANOVA with an a priori contrast (see Bobko, 1986) yielded the expected significant differences, $F(3, 84) = 7.49, p < 0.001$. Participants who viewed a site of a non-reputable Internet store, containing a banner from a non-reputable advertiser, reported less trust ($m = 2.76$), than respondents who viewed either a reputable Internet store, a reputable advertiser, or both (resp. $m = 3.43; m = 3.22; m = 3.57$).

Does Trust Mediate the Reputation Effects on Risk Perception and Intention to Buy?

To validate our measure of trust, we conducted an ancillary analysis to see whether our trust measure, as in Jarvenpaa et al. (2000), mediates the effect of reputation on risk perception and intention to buy at the Internet store. For this purpose, we conducted two 2 by 2 multivariate analyses of variance (MANOVAs), with risk perception and the intention to buy as dependent variables, and the reputation of the Internet store and the advertiser as independent variables. The first analysis was run without trust as a covariate, in the second MANOVA we included trust in the Internet store as a covariate.

The first analysis reveals a significant effect of the reputation of the Internet store on both risk perception and the intention to buy at the Internet store, $F(2, 83) = 9.14, p < 0.001$. The risk perception is lower among participants in the reputable Internet store condition ($m = 2.60, SD = 0.52$) than among participants in the non-reputable Internet store

condition ($m = 3.08, SD = 0.56; F(1, 87) = 17.15, p < .001$). The intention to buy at the Internet store is higher among participants in the reputable Internet store condition ($m = 2.64, SD = 1.08$) than among participants in the non-reputable Internet store condition ($m = 2.22, SD = 1.00; F(2, 82) = 7.65, p < 0.01$). There are no effects of the reputation of the advertiser and no interaction effects on risk perception or the intention to buy.

In a second MANOVA we controlled for the level of trust in the Internet store by including trust as a covariate in the analysis. A strong reduction of the reputation effects on risk perception and the intention to buy would indicate mediation of these effects by trust, as in Jarvenpaa et al.'s (2000) paper. Indeed, the effects are reduced strongly by including trust as a covariate: the effect of reputation on the intention to buy is no longer significant, $F(1, 87) = 1.82, ns$, and the F-value of the effect of reputation on risk perception had reduced from 17.15 to 5.93 ($p < 0.05$). Thus, trust in the Internet store appears to mediate the effect of reputation on risk perception and the intention to buy.

DISCUSSION

Before discussing our major findings, there are some limitations that should be noted before drawing conclusions. First, we used a simple pencil and paper experiment. It might be that showing the sites in their natural environment alters the effects we found. Furthermore, we used students as participants, and one should be careful about generalizing the results to the whole population of Internet users. Thirdly, our study used the (fictitious) site of a computer seller with a financial advertiser. Jarvenpaa et al. (2000) showed that the sector in which reputation and trust are studied affect the outcomes. Using only one sector may have affected our outcomes.

Still, we do think that our study adds to the literature on trust and reputation, and its application to online trust, in several ways. First, we showed that reputation matters when it comes to establishing trust in an Internet store. The reputation of an Internet store was found to be a reliable predictor of trust in the Internet store. This is important, because we also showed that trust is an important mediator between reputation, risk perception and the intention to buy at an Internet store. Jarvenpaa et al. (2000) already showed that the reputation of an Internet store company correlates with trust in the Internet store. In Jarvenpaa et al.'s study, and several others, the association between trust and reputation was shown using correlational data (for example Anderson and Weitz, 1989; Ganesan, 1994). Our study provides the literature with a stronger basis for drawing causal conclusions about the relationship between reputation and trust. This is

important because correlations between trust and reputation could, as we argued in our introduction, very well be the result of the false consensus effect. Although our data do not exclude such a process, it makes a strong case for the reversed causal effect.

Even though our aim was to establish a stronger causal link between reputation and trust, one should not rule out alternative explanations for our findings. We manipulated reputation by referring to reputable companies vs. non-reputable companies. However, in the case of the computer seller being a large, rather than a small, company may have caused the participants to trust the store more. Future research should try to eliminate these differences that often come with differences in reputation, since they might affect the results. Using fictitious companies and describing the reputation while holding all other factors constant may be a fruitful way of avoiding confounds.

A second finding was that the reputation of an advertiser also matters when consumers judge the trustworthiness of an Internet store: trust in an Internet store is higher when the banner comes from a company with a good reputation. This result fits in with other recent research work focussing not on the intended effects of advertisements (ads) on consumer attitudes towards the ad, and the products that are being promoted, but on the attitudes about the environment the ads are placed in. For example, Fennis and Bakker (2001) showed that irritating ads influence how consumers value the subsequent ads. Also, Bruner and Kumar (2000) show that the attitude towards the banner correlates with the attitude towards the site. In the study we reported here, the ad influenced the amount of trust in an Internet store. All these studies imply that Internet store managers, or, more generally, managers of all media that place ads (for example television channels, newspapers) should be selective about the adds they place. Given the current shortage of investors in Internet, it can be tempting for a site to place any ad that is offered. Our study shows that this may backfire and might very well cost money, instead of generating it.

An unexpected finding in our study was that the attitude towards the advertiser is more positive when the ad is placed on the site of a firm without a good reputation. One explanation could be that there is a contrast effect: compared to the non-reputable Internet store, both advertisers, reputable or not, are judged in a relatively positive way compared to the Internet store. Another explanation might be that the respondents in our study think that a reputable company should not have banners on its site. Why would a large and rich company make a little extra money by offering other companies a place on its website? Including a control group without a banner in a follow-up study could shed new light on this question.

Another finding of our study is that consumers seem to stop processing trustworthiness information as soon as they find one cue. Extra

trustworthiness cues do not add to more trust in an Internet store. This is interesting because it tells us something about the way consumers establish whether a store can be trusted or not. Our data indicate that, using the terms of Chaiken's (1980) heuristic-systematic model, judging the trustworthiness of an Internet store is an heuristic, rather than a systematic process: consumers don't seem to make a lot of effort when they try to establish an online store's trustworthiness. The next store is one click away, and the decision not to trust an Internet store is easily made. Especially when the brand name of an Internet store does not come with a good reputation, one should be very careful about the design of the site, the banners on the site, and so on. At least one of these needs to serve as a cue for trustworthiness. On the other hand, these features seem to matter much less when one does have a store with a good reputation: one trustworthiness cue is enough and extra efforts to communicate trustworthiness may not matter much.

Our findings with regard to how consumers judge trustworthiness may be the result of the fact that the participants knew that they were not going to buy something at the store. The lack of thoughtfulness that our data indicate may have been caused by the fact that, for example, there was no risk of losing money. It may be the case that the moment that consumers are planning to really purchase a product at an online store, they may do an extra check on the store's trustworthiness that may be more thoughtful than the first quick scan of trustworthiness that we reported in this chapter. More research is needed to see whether people are indeed this strategic when judging online trustworthiness.

One last remark should be made about the findings in our study. We chose to compare companies that have a good reputation with companies that do not have such a good reputation. Reputation effects could become much larger when companies with a good reputation are compared to companies with a bad reputation. The findings of Standifird (2001) clearly show that having a bad reputation has a much stronger effect than having a good reputation. Thus, our findings may underestimate the effects that reputation has in an online situation. Future studies could include companies with a good, a bad, and an absent reputation to see whether the reputation of, for example, an advertiser may indeed be much stronger than our data indicate.

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