

# THE INFLUENCE OF WEBSITE ATMOSPHERE AND INNOVATIVENESS ON CONSUMERS RESPONSES

*Chin-Shan Wu, Tunghai University, No. 181, Section 3, Taichung port road, Taichung city 40704,  
Taiwan R.O.C. +886-4-2359-0121#35911, cswu.mis@gmail.com*

*Fei-Fei Cheng, National Chung Hsing University, 250 Kuo Kuang Rd., Taichung 402, Taiwan R.O.C.  
+886-4-2284-0515#618, feifei.mis@gmail.com*

*Bianca Leiner, National Chung Hsing University, 250 Kuo Kuang Rd., Taichung 402, Taiwan R.O.C.  
+886-4-2284-0515#618, bianca\_leiner@hotmail.com*

## ABSTRACT

This paper intended to provide some insight for companies who want to offer their products online. The experimental result revealed significant influence of color and price on the customers' behavior intention. The results also indicated that not only does color have a significant main effect on arousal, but that warm and cool colors influence participants. Additionally, price resulted in a significantly high level of pleasure. We believe that this paper can give great insight to companies who wish to sell their products online, which admittedly differ greatly from each other.

Keyword: Website Atmospherics, Innovativeness, Online Store Perception, Pleasure and Arousal, Color, Price

## 1. INTRODUCTION

Past research has mainly focused on how the shopping atmosphere in traditional retail stores can influence customers' emotional responses as well as buying behavior [1]. However, studies concerning how the atmospherics of websites effect consumers' buying intention are rare. Since more and more companies now sell their products through virtual stores, the challenge is going to design a website that is attractive to first viewers, while also at the same time interesting enough to encourage repeated customers to visit the company's website [3].

In order to learn more about the online buying behavior of online consumers, this study tries to explore (1) how Price level influences Online Store Perception and Emotions (Pleasure and Arousal) (2) how Color influences Online Store Perception and Emotions (Pleasure and Arousal) (3) how the moderating variable of Innovativeness influence these relationships.

## **2. METHODOLOGY**

A quantitative approach was selected to measure and explore this research's objectives. University students from both countries were chosen to be the main participants. All items were measured on a 7-point Likert scale, ranging from 1 = strongly disagree to 7 = strongly agree. The independent variables in this paper were Color and Price, whereas Online Store Perception, Pleasure and Arousal were the dependent variables. Also included was moderating variable, Innovativeness.

All participants that joined this study were randomly selected and given a questionnaire with a 2x2 design that contained a scenario corresponding to one of the six conditions Color (warm/cool) and Price (high/low). The price levels of high and low were decided through a pre-test conducted in a previous study in Taiwan and confirmed with a manipulation check. After determining the high and low price, a range of +/- 5% was evaluated in which the prices for the products on the website would vary.

## **3. RESULTS**

### **3.1 Reliability and Validity**

To test the validity of the measurement adopted by this study, a Factor analysis with varimax rotation was conducted for each construct. Also, the Cronbach's alpha value was calculated to examine the reliability of each construct. The results indicated that the validity and reliability of each construct provide a satisfactory validity and internal consistency.

### **3.2 ANOVA**

To learn more about the effect of environmental stimuli on our participants' emotional responses, we conducted an ANOVA analysis. The results indicated significant main effect of Color on Arousal ( $p < 0,001$ ), while price showed to have a significant effect on Pleasure ( $p < 0,001$ ). Innovativeness showed a significant main effect on store perception and pleasure. Further, a significant interaction effect of Color and Price on Online Store Perception, as well as a significant interaction effect of Color and innovativeness on pleasure was revealed.

The cell mean of each color and price scenario indicated that different price level will result in different store perception when the participants were exposed to blue color background, while no price effect was found under red background color. Participants in high price condition showed a more positive store perception than those in low price condition.

Furthermore, participants with different innovativeness level showed a significant different response on pleasure while they were exposed to the blue color condition, but no effect was revealed in red background color condition. Participants high in innovativeness showed a higher level of pleasure than their counterparts low in innovativeness.

## **4. Conclusion and discussions**

Based on the experimental result, current study suggested a few interesting findings:

Participants showed a more arousal emotion when they were exposed to the red color background than those in the blue color background. This result is consistent with prior studies that suggested blue environments generally evoke better feelings than do orange environments [7]. Further, product in low price resulted in higher level of pleasure. Prior research suggested that low prices have the potential to create positive affect through increased transaction utility [4, 6].

The effect of price and innovativeness will be significant only when the participants were shopping in blue color condition. In general, product high in price is suggested to use blue or other cool color in online store atmosphere design as more positive store perception will be resulted. This result seems to indicate that our participants prefer blue background for high price environments, but red background for low price products. This is consistent with literature that suggests that warm colors are more consistent with a discount store concept [2, 5].

This paper provided important insights into the consumers' decision making process and purchase intention, it revealed not only the influence of website atmospherics such as Color and Price on the participants' emotional responses. This study can contribute greatly to academic and empirical understanding of the role of website atmospherics in online buying and provides knowledge about the differences of consumer emotional responses in different conditions.

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