The online norm of reciprocity

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INTRODUCTION

Several psychological and sociological studies have demonstrated a social feature of human beings that is called the rule of reciprocity. According to the rule, if one person does something almost unprompted for another, the recipient forms a closer bond and feels duty bound to do something in return for the initiator (Gouldner, 1960; Simmel, 1950).

Reciprocity is the dimension of a business relationship too (Sin, et al., 2002). Personal reciprocity is a consumer's conscious tendency to engage in a reciprocal and mutually beneficial relationship with a brand provider (Wu, et al., 2008). Reciprocity also works in marketing, where unilateral concessions from the seller, such as special offers or discounts, are likely to be followed by purchases (Gamberini, et al., 2007)

Accordingly, new interest in the issue of reciprocity has grown in marketing and consumer behavior in the context of the Internet to evaluate whether this rule applies to this context in the same way that it does to face-to-face interactions. Some studies suggest that in a way, users of online services experience feelings similar to those that people experience when receiving a favor (Chan and Li, 2010), while others suggest that the rule of reciprocity is only true for face-to-face interactions and only when both partners in the relationship are human. The question then arises: Would be people eager to pay an online service provider for doing something it was already providing for free?

PURPOSE

This study explains the extent to which the rule of reciprocity can be applied to human-Internet interactions in the case of free online services. It attempts to provide some guidelines on how best to handle the implementation of requiring payments from users when a free online service provider decides to charge its users.

METHODOLOGY

In order to examine the existence of reciprocity toward free online services, as the first step towards exploring the phenomenon, we conducted three focus group interviews with 26 university students in Sweden. We aimed to include young people currently using all sorts of free online services to achieve as diverse a sample as possible within the constraints of a small-scale, qualitative study.

Each focus group began with relatively open questions such as 'what came to mind' when students were asked to name the free online services they usually use and with which they were most familiar. The services that were most frequently identified by the interviewees were Google, Facebook, Yahoo mail, Spotify, YouTube and a local newspaper. Then the sessions were moved to more specific questions as the discussion developed e.g. they were asked to rank the strength of their relationship with those services and identify whether they would be willing to pay for those services in future if the service providers ask them to or not. Participants were also encouraged to mention the reason that they would or would not pay for those services in future. At the end the effect of different moderators were evaluated based on Gouldner's theory (1960) to understand whether obligation or gratitude works in reciprocation toward free online services or not.

RESULTS

The results revealed that this rule does not apply to people's behaviors toward online free services if they are subsequently asked to pay for the services; however, some factors emerged that changed this behavior. Such a lack of obvious reciprocity is not necessarily a bad thing, simply different. People may have already reciprocated to free online services by raving about them their friends and family, ultimately getting them to switch to the service as well. In addition, people give the service provider something that has no (or very little) value to the individual (e.g., basic personal info) in exchange for something the users want or require.

CONCLUSIONS

This study was an initial step in a research project on understanding and evaluating the phenomenon of reciprocity towards free online services. The results of the exploratory focus group study provide some guidelines on how best to handle the implementation of requiring payments from users when a free online service provider decides to charge its users. Service providers should recognize that their users will not pay for a service that they have been receiving for free unless the service providers can provide them with a tangible benefit from an additional service or at least something that can materially help them get that benefit (e.g., no advertisements). They must give something that is obviously and exclusively for the benefit of the recipients or try to make a strong relationship with them, focusing on acquiring their loyalty. People do not respond favorably when they feel they are being manipulated or have no ties to the service. Thus, businesses should give something that has real value to the recipient and keep on giving; the more valuable, substantial, and truly helpful their offer is, the more eager people will be to pay for it. This was the first study done by the authors on the topic as part of a research project.

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