Understanding the Intention to Use Virtual Currency in a Gamified E-Commerce Context

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ABSTRACT

Gamification is all about using game features in a serious context to encourage people to use products or services. E-commerce has used gamification for marketing determinations to strengthen intent to use. Technology acceptance model is employed in the current study to investigate the intention to use gamified virtual currency in the Indian context. A survey was used to accumulate records from a random sample of relevant virtual currency users in an e-commerce context using a quantitative approach. Structural equation modeling (SEM) is expended for data analysis in this research. This empirical research shows the incremental impact of the users' perceptions of the ease of use and usefulness on intention to use virtual currency. The variable attitude seems to be not mediating significantly. There are also discussions, restrictions, and future research directions mentioned in this study.

KEYWORDS

INTRODUCTION

Is there anyone who never played anything in their childhood? Hide and seek, tag, musical chair, pen - paper – scissors, so on, to name a few. Do you think playing remains only for childhood days? Cricket, football, field hockey, etc., to name a few. Playing games have always been a cross-generational activity that piqued interest and fun (Huotari & Hamari, 2017). More than a billion people play games on mobile globally (Joensuu & Ryynänen, 2019). No doubt that the game makes the play more fun and entertaining (Heeter et al., 2011). And many are part of serious games knowingly or unknowingly, which can be considered as something beyond fun and entertainment. Like the concept of serious games, gamification uses game elements but as part of an entertainment game for purposes other than their regular expected use (Buckley et al., 2019). Gamification has been more specifically well-defined as "the use of game design elements in non-game contexts" (Deterding, 2012). Gamification in this context can be defined by employing or embedding the features of game elements like virtual currency, leader boards, points, etc., as a set of any specific behavior and processes applied for getting better engagement of its consumers (Bozkurt & Durak, 2018). Gamification is an efficient design strategy that is still developing in recent years for driving game mechanics into existing real-life

contexts, especially in e-commerce (Rapp et al., 2019). The interest in gamification in academics and e-commerce is increasing, and it has already been proven. Still, the absence of enough empirical evidence on individual game elements, especially in online commerce(García-Jurado et al., 2019), is something important that needs to be studied. India, being one among the internationally recognized, quick developing, and most significant emerging e-commerce industries that expect to cross 200 billion US dollars by 2026 from 38.5 billion US dollars as of 2017 (*E-Commerce in India| IBEF*, 2021).

Flipkart, along with other minor specialist e-commerce platforms, is presently among the most dominant e-tailers in the Indian e-commerce industry (Prashar et al., 2015; Rajan, 2020). Flipkart Plus is a no-cost successful loyalty initiative for all of its regular customers (Trauboth, 2020). Buyers must earn five hundred SuperCoins to be eligible for this program. Flipkart Plus members earn four SuperCoins per each one hundred rupees invested on a Flipkart purchase, while non-plus customers receive two SuperCoins (Gayathry, 2019). Flipkart SuperCoins is one of the limited virtual currencies used for e-tailing (Moin & Rahman, 2019). The virtual currency reward system that has got some exchange value within the system can be considered virtual currency in the gamification framework (Dicheva et al., 2021). Therefore the virtual currency has got an attribute of private currency that is mainly used in online transactions by using various technological factors. In the case of Flipkart SuperCoins, it can be used for payment for the products, buying coupons, buy exclusive deals and book flight tickets by using the same platform (Flipkart, 2019). The fact of the matter is that virtual currency is slowly replacing real physical currency in the e-commerce context, but nobody is having enough statistical proof on the exact replacement. If we consider the Indian population, there is a tremendous amount of interest invested in virtual currencies (Mohammad Usman, 2020). According to the recent statistics, India being appraised to contribute around ten percent of the overall virtual currency market worldwide. Even though more than one thousand five hundred types of virtual currencies are seen in India (Sackheim & Howell, 2018), we could hardly find the virtual currency in an e-commerce platform. This scenario constantly questions how far the virtual currency is affecting real-life scenarios (Wang & Mainwaring, 2008). This question remains in the mind of both academicians and business people. Therefore this investigation focuses on virtual currency in a gamified e-commerce context. The gamified virtual currency considered for this empirical study is SuperCoins which are stored and transacted only through the Flipkart domain's designated mobile application or website.

The use of game elements like virtual currency and its game mechanics and game dynamics in non-game situations like e-commerce has become one of the fastest emerging practices in marketing-related activities (Yang et al., 2017). Whatsoever the research that provides empirical studies as evidence for game elements' influence on consumer behavior in domains like e-commerce marketing is still deficient (Behl et al., 2020; Deterding et al., 2011). From the existing pieces of literature, it is clearly understood that virtual currency is a gamification element (Helmefalk et al., 2019), and there is a need to identify the relevance of virtual currency concerning consumer behavior perspective in an e-commerce context (Kamboj et al., 2020). There is a clear requirement of empirical research that would examine how each single gamification element like virtual currency individually affect the business environment (Azmi et al., 2021; Xi & Hamari, 2020). Therefore, this study comprises empirical research to bridge the gap on how far this individual game element called virtual currency is affecting the individual's intention to use SuperCoins in the environment of e-business by using the Technology Acceptance Model (TAM).

The key research questions are as follows:

- Determining whether and how much a specific game mechanic termed virtual currency influences e-commerce usage intention?
- To forecast customer behavior in virtual e-commerce environments, should 'Attitude' be used in conjunction with the existing TAM framework, which is in conflict?

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