

Social Commerce and Business Innovation: Evidence from Digital Platform-Based E-Commerce

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Abstract–The rapid expansion of e-commerce platforms has fundamentally transformed contemporary business practices across both retail and business-to-business domains, fostering new avenues for digital innovation, customer interaction, and value creation. In this dynamic environment, social commerce has emerged as a key catalyst for enhancing e-commerce performance by embedding social interaction mechanisms within online commercial platforms. This study explores the impact of social commerce attributes on the adoption of e-commerce platforms, with particular emphasis on the mediating role of electronic word-of-mouth (e-WOM), within the context of digital transportation platforms operating in Tehran, Iran.

Data were collected through a structured questionnaire using a simple random sampling approach, and the analysis was conducted using structural equation modeling (SEM) techniques implemented in Smart PLS software. The results demonstrate that social commerce attributes have a significant and positive influence on e-WOM, both directly and indirectly through mediating mechanisms. In addition, the underlying social commerce infrastructure plays a crucial role in facilitating and strengthening e-WOM among platform users.

Moreover, the findings indicate that e-WOM substantially enhances customer trust and user engagement within e-commerce environments. Both trust and engagement are shown to be critical determinants of e-commerce adoption, exerting strong positive effects on users' willingness to utilize digital platforms. These results highlight the strategic importance of social commerce features in promoting user participation, shaping decision-making processes, and accelerating the adoption of innovative e-commerce platforms.

Overall, this study contributes to the literature on e-commerce platforms and business innovation by elucidating the interconnected roles of social commerce, e-WOM, trust, and engagement. The findings provide valuable insights for managers, platform developers, and policymakers seeking to leverage social commerce mechanisms to strengthen customer relationships and drive the successful adoption of e-commerce solutions in digital transportation ecosystems.

Keywords–E-commerce adoption, social commerce, electronic word-of-mouth, customer trust, user engagement.