

ELECTRONIC WORD OF MOUTH COMMUNICATION

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ABSTRACT

Word of Mouth (WoM) and electronic World of Mouth (eWoM) are similar in their motives but diverse in their reach and impact. Whereas WoM is a traditional way of storytelling between person to person, on the other hand eWoM does the same but on digital platform such as web sites, social networks, instant messages, news feeds etc. The cost involved in story telling via traditional way could be huge and audience very limited, on the other hand the electronic form of this could be very cost effective and could have wide reach across the globe. In business world, it is a well-known and established fact that customer satisfaction, trust and brand commitment could play an important role in driving WoM and thus can have far reaching consequences on a prospective customer's attitude and behaviour towards a company's product or services. This paper summarizes some theoretical-conceptual and methodological critical aspects identified by various scholars who analysed and applied in different studies. The analysis allows to identify interesting points for future research on the topic of factors affecting eWoM communication.

Keyword: - Word of Mouth (WoM), electronic Word of Mouth (eWoM), consumer behaviour, buying decision process, purchase intention.

1. INTRODUCTION

Word of mouth communication is the making of positive or negative statement about a product or company. When it is done via internet, it is termed as electronic word of mouth communication (Hennig-Thurau T. , Gwinner, Walsh, & Gremler, 2004). Traditional word of mouth which is initially characterized as an oral type about interpersonal non-business communication (Arndt, 1967), has now developed into a new form of communication known as electronic word of mouth communication.

Web 2.0 has given back support for electronic word of mouth communication. Major distinctive characteristics of Web 2.0 like “relationship” technologies, participatory media and a social digital technology has made internet as people centric and participative web. Because of this advancement many consumers are exchanging their views and information of the products over internet (Lee, Park, & Han, 2008)

Burson-Marsteller and Roper Starch invented the term ‘e-fluentials’ in 1999. They found that with traditional word-of-mouth communication one person can affect the attitude and behaviour of approximately next two people, whereas in e-WOM one person can affect the behaviour of eight other people. But, in 2001, it was found that one person could potentially influence up to 14 people (Burson-Marsteller, 2005)

2. ELECTRONIC WORD OF MOUTH (EWOM)

Word of mouth is a process of sharing information about a product or service or company to others (Jalilvand, Esfahani, & Samiei, 2011). After using a product when one consumer shares his/her experiences about the product or services directly with others, it is termed as Word-of-Mouth communication (Heriyati & Siek, 2011). In the study, authors found that there is a positive influence in between the word of mouth and the decision making of another consumers. Hence, marketer should be aware about the information spread for their products or services.

Also, it is found that word of mouth can strongly impact on the organization's effectiveness. A positive or negative message or review generates positive or negative outcomes respectively (Williams & Buttle, 2011).

Word of mouth communication when spread via internet, it is termed as eWOM (Electronic Word of Mouth) communication. Buttle (1998), define electronic word of mouth communication as passing information via blogs, message boards and emails. Electronic word of mouth has a high credibility, empathy and relevance to customers than marketers designed information when compared with the traditional word of mouth communication (Bickart & Schindler, 2001).

Lee & Lee (2009), found that impact of electronic word of mouth communication can be classified into two levels:

- Market level analysis: Mainly focusses on market level parameters like sales.
- Individual level analysis: Focusses on personal influence in which one consumer (sender) can change other consumer's (receiver) attitude or buying decisions.

2.1 Electronic Word of Mouth Quality

Electronic word of mouth quality can be defined as the persuasive power of the comments given by the sender in an informational message (Bhattacharjee, 2006). Sometimes consumer buying decision, which will meet their needs, and their willingness to buy a product will be based on the type of quality of information they received from various message portals (Cheung E. , 2008). A good content quality increases the willingness of a consumer to trust on the electronic word of mouth and the product (Awad & Ragowsky, 2008).

2.2 Electronic Word of Mouth Quantity

Electronic word of mouth quantity can be defined as the number of comments or review posted by different consumers (Cheung & Thadani, 2010). Or, we can say that the volume or number of electronic word of mouth represents popularity of a product or service (Chevalier & Mayzlin, 2006). Some studies found that there is a strong positive influence of electronic word of mouth quantity on consumer perceived credibility of electronic word of mouth communication (Park, Lee, & Ham, 2007); (Sher & Lee, 2009).

3. PURCHASE INTENTION

Purchase intention is defined as a consumer's willingness to buy the product or services. It is a dependent variable that depends on some external and internal factors. In durable goods purchase intention is the measure of actual purchase behavior (Kalwani & Silk, 1982).

4. RELATIONSHIP BETWEEN ELECTRONIC WORD OF MOUTH QUALITY, ELECTRONIC WORD OF MOUTH QUANTITY AND PURCHASE INTENTION

Word of mouth could be a reliable source which affects the purchase intention by affecting the choice of products in the market (Brown & Reingen, 1987); (Herr, Kardes, & Kim, 1991). Electronic word of mouth communication can reduce the risk and uncertainty recognised by consumers, hence influencing their purchase intention and decision making (Chatterjee, 2001).

Electronic word of mouth is an informational source for consumers before they make decisions to buy products. Some studies have found that online reviews about a product or service have a positive influence on sales (Godes & Mayzlin, 2004); (Judith & Dina, 2006).

From the above all literature, we can predict the below conceptual model for further future studies.

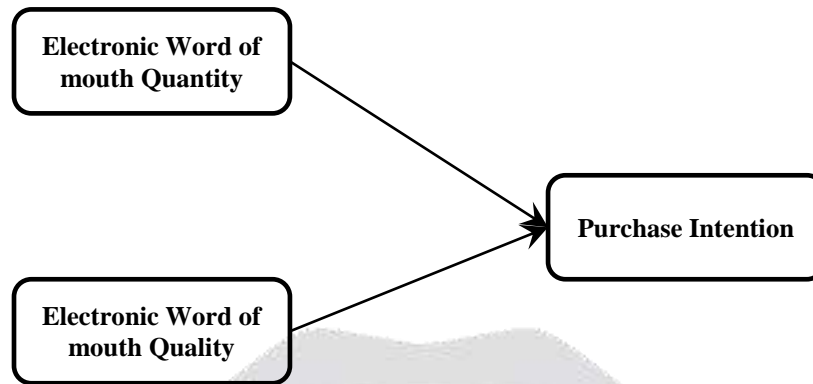


Fig -1 A Conceptual Model representing impact of electronic word of mouth quantity and electronic word of mouth quality on purchase intention.

4. CONCLUSIONS

Literature review has been conducted in this paper to emphasize the importance of online consumer reviews on purchase intention. As electronic word of mouth communication acts as an informant and recommender, it can be used strategically as a communication channel. The paper reveals that there are two important factors which affects buying behaviour of a person. These are quantity and quality of the source i.e. the quality of the content or message and the number of the reviewers of a product.

There is no fixed research model in the area of electronic word of mouth communication. Several other factors may include in the future study that influence purchase intention when measured in light of electronic word of mouth communication.

Lastly, the paper provides a new look to an emerging research area in the current business scenario. Electronic word of mouth communication is a new and emerging topic which is growing rapidly in the recent years. There are few limitations in the paper which provides and overview and ignition on the topic of eWOM. A number of different other opportunities can be identified for further research on the electronic word of mouth communication.

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