Influence of Electronic Word of Mouth eWOM On Purchase Intention

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Abstract: Introduction of Web 2.0 technology shifted from conventional Word of mouth to electronic/online word of mouth eWOM. The growth of social media and social media usage connect online user to create and share the user generated content. eWOM convey the content created by user in organic form. The increasing popularity of various social network sites connect online user to share electronic word of mouth globally. The advancement of eWOM information plays a vital role in consumer buying decision or purchase intention. Online user likes to create and share information about the product to help another user. Social media users seek information about product/services before making purchase decision. Internet user trust other user reviews, recommendation before making buying decision. Sharing information via Electronic word of mouth (eWOM) in social media has positive influence on Purchase Intention. Brand awareness and trust are connected with Purchase Intention. In this paper various existing literature review are studied to frame a proposed conceptual framework.

Keywords: Brand Awareness, Electronic Word Of Mouth, Purchase Intention, Social Media, Trust

1. Introduction

The growth of web 2.0 technology brings numerous changes from commerce to Ecommerce. Influence of web 2.0 technology has opened a wide platform in social network sites conventional from word of mouth to electronic word of mouth (eWOM). Researchers have studied eWOM in various contexts. Social media recommendation has influence on purchase decisions of customer T. Wang et al. (2016). The usage of social media and eWOM has positive influence on purchase decision and online trust plays very important mediated role Shantanu Prasad et al. (2017). Michael Trusov et. al (2009). They studied the importance of word of mouth marketing compared with traditional marketing. eWOM increase the number of member on Internet social network site. The existing members share word of mouth referral and recommendation in social media along with traditional marketing. As a result new member are connected to the social network sites and share the eWOM information. Wider the reach of eWOM referrals increases new customer acquisition. With the electronic tracking of WOM referrals, new customer acquisition is tracked in social network sites. Consumers recognize the information about product or service before purchasing with the help of eWOM shared on social media sites. P. Yu. Michelle (2018).

1.1 Word of mouth

Online/Electronic word-of-mouth (eWOM) is sharing of information about product and services among people who interact with one another in virtual world of social media. Social media is full of creating/sharing the user generated content, reviews, referral and recommendation. eWOM has complete endorsement for product information shared and posted in Web 2.0 technology.

1.2 Word of mouth (WOM) and Electronic word of mouth (eWOM):

The growth of social media and social network sites metamorphosis from traditional word of mouth to electronic word of mouth. Earlier WOM communication was face to face are discussed and shared among known friends and relative. Electronic word of mouth is shared among known friends, relative and interested communities in social network sites such as Facebook, Twitter and more sites. Word of mouth exists for short period with in the space. Electronic word of mouth discussions remain in computer rich technology internet for longer period. Social network sites eWOM reviews, recommendation stay for longer period. online user can read and view at any time globally. (Hennig-Thraeu el al (2004). eWOM communication as “any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet”

1.3 Role of Purchase Intention in Social Media

Purchase Intention is keenness to buy some product or service in future. Purchase intention in social media is the same thought of traditional means of buying. The Social media user/ online user have Intention to buy/purchase some product or service through social networking sites. User Created Content, Online / Electronic Word of Mouth are key component to create Purchase Intention in social media. Social media Users are actively participated in various Social Network Sites/Platform to get current updated information about Product/services. Peer to Peer communications create and share information about product/services. Customer Reviews and Referrals direct customer to choose matching product/services, from many alternative products available widely. Social Media users have the intention of buying Digital and Virtual goods through various Social Networking Sites. To remain in social media, marketer needs to be cautious to send good quality product/services to customer. Good qualities of
product/services themselves make good reputation and bond among social media user. Customers who are satisfied with their purchased product automatically tend to share the reviews and referrals. Positive customer comment / Review and online/ Electronic word of mouth Influence on purchase intention of another user.

2. Objectives:
1. To determine the effect of Electronic Word Of Mouth (eWOM) in social media.
2. To study the impact of Electronic Word Of Mouth (eWOM) on Purchase Intention.

3. Proposed Conceptual Framework of Electronic word of mouth in Social Media

![Proposed Conceptual Framework of Electronic word of mouth in Social Media](image)

4. Literature Review

4.1 Social Media, Electronic Word of Mouth and Purchase Intention
Abu Bashar et al (2012), The author conducted a study on 150 online respondents who are active on social network. The responders review the social media before making purchase decision. The authors discuss how fast the social media bought change in entrepreneur and marketers marketing method from traditional to technology change. Following the online marketing on social media has become mandatory key connection for all kind of business in modern days otherwise the marketers will be outdated. The E Commerce and Internet has wider role how the business has bring drastic change in adapting social media technology. People collect and share information on social media and became organic marketers. The users for to brand page to review more information about the brand, offer, peer to peer information about the product and service. Social media user engagement on brand page, create brand advocacy and loyalty. The brand followers become brand purchaser in social media.

Amal Dev Sarma & Basav Roy Choudhury (2015), they found that social media build social network which influence word of mouth on user buying decision. The enlargement of online social network and user created content, word of mouth changes to electronic WOM which propagates to huge extent. Social media are accessed by normal people to bring the information to obtain what they want in real time. Social media shifted the way user read, search and trust the content. The users also furnish the market information of goods, services and more though user-generated content. Personal communication propagates online reviews (recommendations and experiences) and eWOM as result influence on purchase decisions and behavior.

Carla Ruiz-Mafe et. al (2018), they found that positive eWOM has wider social influence among large online user communities. Users connect in positive eWOM by integrating the communication between the social environment of a website and social influences. From 262 online user communities respondents the authors found social presence is the predictor of positive eWOM. Higher the impact of interpersonal influences the stronger relationship between PeWOM and social presence. This paper review how online communities review and recommendation has impact on tourism industry. Positive online comment made by existing and potential customer on online user communities has a significant role on tourism services and empowered consumer. The online user communities’ stay connected in product related eWOM and have emerged as promotional tools for ecommerce and marketing.

Ismail Erkan and Chris Evans(2016), They found how social media websites electronic word of mouth conversation direct to consumers purchase intention. Social media created useful opportunity for eWOM conversation. Individual discuss about products and services of any brand with their friends and associates. Information Acceptance Model has impact on social media Electronic word of mouth and behavior of consumers. They found positive information influence on consumers’ purchase intention from the survey result conducted among 384 university students who accessed social media.

P. Yu. Michelle (2018), The author studied (i) review of customer, (ii) personality of the reviewer, (iii) characteristics of the website obtainable in reviews, (iv) characteristics of product review, (v) influence of environment and (vi) interpersonal to find which factor has more influence on purchase intention. Among three hundred thirty seven universities student the data was collected. The author found that there is a positive impact of six factors of eWOM on purchase intention. Customer review factor is most dominant factor that influence purchase intention of consumer.

Walid Nabil Iblasi et al(2016), the authors found how the social media marketing tools direct towards purchase decision. They have discussed about various social media marketing tools like Facebook, twitter, blogs. They conducted research on 93 samples on Samsung customer in three branches. They emphasis the importance of social media marketing as effective tool on business and low of cost method to reach wide audience. The branding can be done more successfully in social media marketing. The purpose of sharing content in social media marketing to bring brand exposure and wider customer reach. Social media work like a gadget for two way communication and
build the social customer relationship among user. They concluded that the Samsung customer spend long time on social media websites which have influence on buying decision. They recommend company to use social media as a marketing tool to catch the attention of more online user. Social media marketing benefit online brand recognition and brand loyalty and many more.

4.2 Electronic Word Of Mouth, Trust and Purchase Intention

Christy M.K. Cheung et al (2008)., They concluded that Web technologies have created opportunities for eWOM communication. Web 2.0 application initiated to gain information access by every individual user. Reseller found wide opportunities to promote their products and services via web 2.0 as new marketing channel along with electronic WOM communication through electronic media. Individual opinions are considered as trustworthy before making buying decision.

Devkant Kala and VD.S. Chaubey (2018),. The authors found that the marketer should follow eWOM to increase the brand popularity which will persuade consumer purchase intention. With the expansion of internet customer interact with one another and to create known fact as electronic word of mouth about product/services. The fastest and easiest communication eWOM messages create brand image and influence purchase intention. Among 313 social media online respondents the authors found that brand image act as mediator between eWOM and purchase intention. WOM communication is trustworthy and non commercial basis of information which has huge effect on consumer purchase behavior and approach formation. People trust the other people positive recommendation which influence consumers’ behavior and direct to affirmative purchase intention.

Francesca Di Virgilio and Gilda Antonelli (2017),. They found that Web 2.0 technology allow user to create and exchange user-generated content. Online word of mouth/ eWOM is sharing the information about product and services on various online environments. eWOM and Trust are mediating variable on user behavior intention of online buying. Consumer become more familiar with product and product related information shared on various social network sites. Social media Electronic WOM communication and trust have impact on purchase Intention.

Mayank Sharma et al (2015),. They concluded that social network sites and social app-based group of online people community has grown rapidly. The author observed the effect of social network sites and strength of using social apps. The social network sites allow the user to exchange the electronic WOM information with peer to peer communities. The enlargement of social media usage the developers of social media networks introduce new attractive and user friendly features. Social app communities build and strengthen trust among user. Social app usage in social network site positively influence on purchase decision of digital and virtual goods through electronic word of mouth.

Noraini Sa’ait et. al (2016),. They conducted a study among 361 respondents to find the influence of positive eWOM on purchase intention. They found eWOM element like accuracy, comprehensiveness, relevane and timeliness have significant connection with customer purchase intention. The teenagers are more aware of product or services, they trust the customer review shared through eWOM before making purchase decision. The eWOM information is from unpaid source and honest reviews are shared by prior purchaser. The eWOM receiver who received prior purchaser information will have purchase intention after reviewing various reviews.

Saba anwar khan et al (2015),. they found that word of mouth have direct and affirmative impact on purchase intention. Comparison, Source Attractiveness and Trustworthiness has vital impact on Purchase Intention. Word of mouth became very familiar and necessary promotion tool to share the information about product/service. The new and existing customer share information about product and services through electronic WOM communication. In social media marketing the word of mouth communication is the important approach to endorse products and brands.

T. Wang et al (2016),. They found that Social media word of mouth referral influence on purchase decision among customer. Consumer share brand and product related information referral. People trust the information shared and posted by other people in social network and when making purchase decisions. The sender shares the eWOM information to recipients about product and services with others whom they trust. The authors divided electronic word of mouth into two phases as (i) Social capital and (ii) individual factors. Shared language, trust, strength connected under social capital. Innovativeness and self-disclosure connected under individual factors.

4.3 Electronic Word of Mouth, Brand Awareness and Purchase Intention

Civelek, M., & Ertemel, A. (2018),. They examined Millennials have more substantial purchasing intention compared with other age group. Social media users communicate with family, friends, known and unknown peer community. Electronic word of mouth is peer to peer interaction. Positive peers comment influence on brand awareness direct towards brand trust. They concluded social media eWOM peer to peer communication among Millennials influence on purchase decision.

Eun-Ju Seo and Jin-Woo Park (2018),. They highlighted that people search and retrieve eWOM information shared on social network to reduce anxiety before making a purchase decision. The users trust the eWOM information shared by experience users who have purchased the product online. They found brand awareness and trust have impact on eWOM. Brand awareness refers to a brand where the user recognizes a particular brand from multiple brands available online as a result the user trust is connected with brand. Online user have purchase Intention after reviewing Positive Electronic word of mouth in social
network. Electronic word of mouth had a direct effect on trust among users in social media.

Maryam Tariq et al (2017), they studied eWOM and brand awareness influences on customer purchase intention with brand image as mediator effect. The customers look for brand information before deciding to purchase the product or not to purchase the product. User reviews various suggestions and opinions from the expert who purchased online before making purchase decision. Electronic information also help offline user to make purchase decision. As the eWOM information are shared and accessed worldwide at any time which is stored in internet rich social media.

5. Nielson Report on Trust

Source: Nielson report

Nielson report state that 92 percentage of people trust recommendation from people they know and 70 percentages of people depend on consumer opinion posted online.

6. Conclusion

The authors after reviewing various literatures concluded that electronic word of mouth made by anonymous, family and friends on social media via various social networks sites like Facebook, twitter and more have influence on purchase intention of user. The eWOM are shared by unpaid user and they became organic promoter for product/services. The social media users trust the other users review and referral as the information are communicated by prior purchaser. User-generated content share the information electronically in social media. The shared information is conveyed through electronic word of mouth. The eWOM influence the people to buy the product / services from the various referrals shared in social media. Brand Awareness and Trust are associated with eWOM. Social media Electronic word mouth influence on purchase intention among social media user.

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7.1. Journal Article


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7.2. Hyperlink
For more information, visit www.nielsen.com.