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The effects of intentions of consumers' electronic word-of-mouth communication on their decisions of buying

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Abstract

Word-of-mouth (WOM) communication, seen as an important subject by researchers and practitioners for a long time, is a process of consumers who provide other customers some information about a product, a service, a brand or a company. If this process takes place on the Internet (e.g. reviews, tweets, blog entries, 'likes', images and videos), it is called e-WOM, and it is seen as an important development in contemporary behaviours of consumers. Opinions disappear after a while in offline WOM, but online WOM causes a permanent public opinion. For this reason, e-WOM draws considerable attention from both academics and practitioners. With the rapid development in e-trade, while a growing number of products are sold, these selling are accompanied by a vast variety of customer review and feedbacks. Online customer reviews provide important information about a product, a service, a brand or a company. Analysing and evaluating the WOM are very crucial for helping companies and customers decide. In this research, the effects of e-WOM on buying decisions of consumers are studied. In the research, young consumers, using the online platforms very often, are targeted, the effects of online information sharing on buying, rebuying and replacing behaviours are focused and a questionnaire, implemented on 360 consumers, is interpreted by presenting data obtained from the questionnaire.

Keywords: E-wom, word-of-mouth marketing, purchasing decisions, Internet Communication

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1. Introduction

WOM, used unconsciously by people in daily life (Ozaslan & Meydan Uygur, 2014), has a very important role for shaping the behaviours of consumers and becomes a commonly accepted concept (Brown & Reingen, 1987). WOM, for a long time, has been a very important agenda for researchers and practitioners in marketing department. In that, WOM is much more effective than traditional marketing devices such as personal selling and various kinds of advertisements (Gruen, Osmonbekov & Czaplewski, 2006). Also, many researches show that off-the-record communication is seen as a more reliable source by the consumers than the mass media. More openly, WOM encourages people to buy new products. While mass media is dominant in awareness (early) period, WOM is very important in review (late) period, because decision of buying a product is a process that is made up of different periods (Arndt, 1968).

e-WOM has become a tool that presents qualities of a product, opinions of consumers, having bought or using the product before, reviews on these opinions and it turns out it has a vital role in consumers' deciding period (You, Vadakkepatt & Joshi, 2015). Thus, consumers can give and get information about a product from other consumers, even if they do not know them.

Recently, companies set huge budgets for creating and administrating e-WOM process, because of the effects of e-WOM, which has become a more effective state of WOM with the help of technology (You et al., 2015). In a very short time, e-WOM has drawn a considerable amount of attention from both academics and practitioners. In literature, there are researches on motivations of e-WOM and factors that affect e-WOM. However, it can be said that this research is one of the limited researches in Turkey stating the effects of e-WOM on deciding to buy.

2. Literature review

WOM in marketing is a process in which consumers provide information about a product, a service, a brand or a company for other consumers. If this information is conveyed via Internet (e.g., reviews, tweets, blog entries, 'likes', images and videos), it is called e-WOM and it is seen as one of the very important developments in contemporary behaviours of consumers (Rosario, Sotgiu, De Valck & Bijmolt, 2016). In general, e-WOM is positive or negative statements, which belong to potential, real or old consumers, about a product or a company, and these statements have become an information source making consumers' decisions easier. With e-WOM, while consumers send or answer the messages, WOM saves these messages as scripts (Labsomboonsiri, Mathews & Luck, 2017). Also, while consumers write their opinions and share their experiences on various platforms, potential buyers ask for online recommendations. Contrary to WOM, e-WOM has become very popular among academics and practitioners because it provides permanent records of consumers' reviews (Yang, Mai & Ben-Ur, 2012).

e-WOM has become a new platform in the virtual environment where consumers share their reviews and comments. This concept is able to draw both consumers' and managers' attention (Sariisik & Ozbay, 2012). In this way, e-WOM has become a vital part of e-trade. Consumers, now, gather and spread information via companies' websites, social media, blogs, online communities and customer review systems (Khan & Hashmi, 2016). In addition to this, with the improvement in communication through computer, the number of websites, used for sharing information and experience by consumers, has been increasing (Labsomboonsiri et al., 2017).

With the rapid improvement of e-trade, while increasing quantity of products are sold on the Net, these sales are accompanied by a large number of consumer's reviews and feedbacks. Online consumer reviews provide very important information about a product, a service, a brand or a company. Analysing and evaluating the WOM is very important for helping companies and consumers decide (Chen, Luo & Wang, 2017).

There can be many reasons for consumers to share their opinions voluntarily with others. These are generally: self-sacrifice, helping others, reducing anxiety and self-improvement. After all, recent studies show that main force for consumers to visit online communities and share their opinions is helping others and promises. Along with this, it is quite natural that people share their opinions and experiences in online communities and this is a mutual process. Because, if, today, a consumer helps potential consumers by sharing his/her true opinion and experience, in the future he/she gets the same help from the other consumers. As a result, this opinion and experience sharing process is seen as an objective process (Yang et al., 2012).

3. Method

The aim of this study is to state effects of e-WOM on consumers' decisions on buying. The aim-oriented foreseen research questions are in which dimensions does the WOM affect the consumer's decision on buying? In this effect, is there a difference in terms of gender, age and social media use? Is there a correlation between the dimensions of WOM? In this study, consumers, using the online platforms very often, are targeted; this study focuses on the effects of online information sharing on buying, re-buying and replacing behaviours.

The research model is the descriptive model in which necessary data were obtained by the questionnaire method. The questionnaires were implemented to consumers by the researchers between February and April 2017 in Cankiri. For the research, 368 consumers answered the questionnaire, but 360 consumers were taken into consideration. In this study, five-point Likert scale was used to evaluate the effects of e-WOM on consumers' decisions on buying. This scale was created by scanning the related literature and, afterwards, consulted with the experts (Aydin, 2014; Simsek, 2009). The general reliability coefficient of the test was calculated as Cronbach's Alpha = 0.917.

Suitability of the obtained data as the result of implemented assessment tool to the sample group is 0.000, KMO value is 0.890 and the Barlett Test value is 3459.092. As can be seen in Table 1, it was accepted that there are three factors in the scale. Attributes, variance ratio and total variance of these three factors are presented in Table 1. The attributes of all factors in the scale are above 1. All the three factors explain 59.52% of total variance. Kline stated that 41% variance ratio is acceptable. According to this, this scale consisting of three factors is proven accepted with the 59.52% ratio.

Table 1. Factor analysis

Factor	Attribute	Variance ratio	Total variance percentage
Features of information	7.595	42.194	42.194
Scope of consumer's searching	1.595	8.860	51.054
Consumer's former info and expertise level	1.525	8.474	59.528

The first factor consists of numbers 1–8 items explaining the features of information shared via WOM and decision of buying. Numbers 12–18 items in the scale form the second factor as the searching scope and decision on buying. Numbers 9–11 items are grouped as consumer's former information and expertise level.

In Table 2, the descriptive data for consumers' personal information is presented.

Table 2. Personal information

Variable	N			%		
	Male	184	51.1			
Gender	Female	176	48.9			
	Total	360	100.0			
Age	16–20	32	8.9			
	21–25	128	35.6			

	26–30	50	13.9
	31–35	52	14.4
	36–40	24	6.7
	41–45	26	7.2
	46–50	24	6.7
	51+	24	6.7
Social Media	Yes	352	97.8
	No	8	2.2
	Total	360	100.0

As seen in Table 2, 51.1% of attendants consist of males. Nearly, 45% of attendants are from the young group. 35.6% of them are aged between 21 and 25. According to this, it can be said that the attendants are quite a young crowd of people. 97.8% of attendants use social media.

In Table 3, information about consumers' intention over e-WOM is given.

Table 3. Descriptive information about e-WOM intention.

I do research on the Internet (social media, blog, e-trade pages and forums), before I buy a product or a service		
	N	%
Yes	344	95.6
No	16	4.4
Total	360	100.0

Attendants say 'Yes' to 'I do research on the Internet (social media, blog, e-trade pages, forums, etc.), before I buy a product or a service'. At 95.6%, according to Table 3, it can be said that attendants do research on the Internet before they buy a product or a service online and follow social media, blogs and e-trade pages.

In Table 4, information about the intentions of attendants towards searching for information on the Internet is presented.

Table 4. Data about searching information on the Internet

I read the reviews on the Internet, before I buy a product or a service		
	N	%
Yes	338	93.9
No	22	6.1
Total	360	100.0

According to Table 4, 93.9% of attendants say 'Yes' to 'I read the reviews on the Internet, before I buy a product or a service'. In this case, it can be said that a majority of attendants read the reviews before they buy the product.

In Table 5, the findings of attendants' intentions towards sharing information are presented.

Table 5. Sharing information on the Internet		
I share my information and experience on the product or service I bought with the others on the Internet		
	N	%
Yes	170	47,2
No	190	52,8
Total	360	100,0

52.8% of attendants say 'No' to 'I share my information and experience on the product or service I bought with the others on the Internet'. According to Table 5, it can be said that more than half of the attendants are not willing to share information about the products that buy before.

Whereas, 93.9% of attendants say 'Yes' to 'I read the reviews on the net, before I buy a product or a service'. In this case, it can be said that attendants take other consumers' opinions into consideration but they are not willing to share their own opinions on the Internet.

In Table 6, the findings on source of consumers' intentions towards sharing their information and experience about a product or a service are presented.

Table 6. Source of sharing information on the Internet

I share my information and experience about the product or the service on the Internet. (In which case more?)		
	N	%
If I satisfy with the product or service	154	42.8
If I do not satisfy with the product or service	206	57.2
Total	360	100.0

According to Table 6, attendants share their opinions and experience more when they do not satisfy with the product. 57.2% of attendants share their opinions if they do not satisfy with the product, the rest of the attendants, 42.8%, on the other hand, say they share the information if they satisfy.

Table 7 contains descriptive information for research questions.

Table 7. Descriptive information towards research questions

	N	x	S
The amount of information obtained affects my decision on buying the product.	180	3.54	0.905
If the information reveals the unknown aspects of the product for me, it affects my decision on buying it.	180	3.46	0.936
Reliability of the information affects my decision on buying the product.	180	3.71	0.930
Credibility of the information affects my decision on buying the product.	180	3,68	,907
Expertise level of the person I get the information from affects my decision on buying the product.	180	3,91	,905
The person's information level about the product affects my decision on buying the product.	180	3,87	,865
The person's helping level affects my decision on buying the product.	180	3,52	,868
The person's impressiveness affects my decision on buying the product.	180	3,31	1,00
If I have a high level of information about the features, price, alternatives of the product, I am influenced less by other consumers.	180	3,69	,880
If I have enough experience about the product, I am influenced less by the other consumers.	180	3,86	,958
If I am an expert about the product, I am influenced less by the other consumers.	180	3,90	,975
Other consumers' online review effects my decision considerably.	180	3,62	,886
Before I buy a product that I don't have any information, I search for information online.	180	3,67	,872

If I am indecisive, I benefit from online experiences.	180	3,81	,824
Information that I have already taken from other consumers sharing their experience online really helps me decide.	180	3,63	,896
Information that I take from other consumers sharing their experience online provides me different perspectives.	180	3,75	,776
The more risk I perceive about the product, the more I consult online reviews.	180	3,64	,956
When I buy a product with a very high price, I count on online.	180	3,34	,975

In Table 7, attendants answered the questions in terms of the level of the information they search for; the amount of information ($x = 3.87$), gaining different perspective ($x = 3.46$), reliability of information ($x = 3.71$), credibility of information ($x = 3.68$), expertise level ($x = 3.91$), information level ($x = 3.87$), helping level ($x = 3.52$) and impressiveness ($x = 3.31$). These results show that attendants are influenced in a moderate or higher level by information shared via e-WOM.

At the searching scope level of consumers, attendants gave points in this way; former consumers' reviews are effective on their decision on buying ($x = 3.62$), before they buy a product they do not know enough, attendants mostly benefit from other consumers' online reviews ($x = 3.67$), when they are indecisive, attendants use other consumers' online experience ($x = 3.81$), it is really helpful that other consumers share their opinions before ($x = 3.63$), information that they take from other consumers sharing their experience online provides – there are different perspectives ($x = 3.75$), the more risk they perceive about the product, the more they consult online reviews ($x = 3.64$), when they buy a product with a very high price and they count on online reviews more ($x = 3.34$). Thus, it can be concluded that attendants are influenced in a moderate or higher level by e-WOM in terms of searching scope of a product or a service. Attendants are influenced less in terms of their former information and expertise level if they have a higher level of information about a product's features, price and alternatives ($x = 3.69$), they have experienced about the product before ($x = 3.86$), they have a high expertise level about the product ($x = 3.90$).

In Table 8, *t*-test results, implemented to see if there is any difference in the effects of e-WOM on decision of buying in terms of gender and social media use, are presented.

Table 8. Data according to gender and social media use

			<i>N</i>	<i>x</i>	<i>S</i>	<i>SD</i>	<i>t</i>	<i>P</i>
	Features of information	Female	184	3.58	0.623	358	-1.280	0.201
		Male	176	3.67	0.734			
	Consumer's info level	Female	184	3.72	0.834	358	-1.162	0.246
		Male	176	3.82	0.814			
	Consumer's searching scope	Female	184	3.59	0.626	358	-1.277	0.202
		Male	176	3.68	0.642			
	Features of Information	Yes	352	3.62	0.679	358	0.788	0.431
		No	8	3.43	0.722			
	Consumer's info level	Yes	352	3.77	0.821	358	0.510	0.610
		No	8	3.62	1.02			
	Consumer's searching scope	Yes	352	3.64	0.629	358	1.583	0.114
		No	8	3.28	0.815			

In Table 8, it can be said that e-WOM does not affect decision of buying in terms of gender and social media use ($p > 0.05$).

In Table 9, *t*-test results, implemented to see if there is any difference in the effects of e-WOM on decision of buying in terms of consumers' source of intentions on sharing information, are presented.

Table 9. According to sharing information online, intentions of sharing information

		<i>N</i>	\bar{x}	<i>S</i>	<i>SD</i>	<i>t</i>	<i>P</i>
Features of Information	If I satisfy with the product or service	154	3.56	0.767	358	-1.411	0.159
	If I do not satisfy with the product or service	206	3.66	0.605			
Consumer's info level	If I satisfy with the product or service	154	3.60	0.801	358	-3.396	0.001
	If I do not satisfy with the product or service	206	3.89	0.821			
Consumer's searching scope	If I satisfy with the product or service	154	3.58	0.719	358	-1.250	0.212
	If I do not satisfy with the product or service	206	3.67	0.563			

In Table 9, It is proven that only if the consumer does not have enough information, there is a difference on decision on buying between consumers, sharing information if only they do not satisfy with the product, and consumers, sharing information if only they satisfy with the product ($p < 0.01$). It can be said that consumers, sharing information when they do not satisfy with the product, are influenced less by e-WOM when their information and expertise level are increasing.

Table 10 presents correlation between the dimensions determining the effects of e-WOM on decision on buying.

Table 10. Correlation between the dimensions

		1	2	3
Features of information (1)	Pearson	1		
	Korelasyon			
Consumer's information level (2)	Pearson	0.474	1	
	Korelasyon			
Consumer's searching scope (3)	Pearson	0.642	0.435	1
	Korelasyon			

As can be seen in Table 10, there is a positive correlation between dimensions of research questions. In this case, if there is any change in any dimension, there is the same change in other dimensions.

4. Conclusion

In continuously developing marketing world, opportunities arising from e-marketing cause the concept of consumption change renovate the on-going questions. With the Internet showing up, it has varied the consumers' way of collecting information from other consumers and provided them opportunities to present their own opinions via e-WOM. The results of this study, aiming to evaluate the effects of e-WOM on consumers' decision on buying, can be interpreted as

1. There is a positive and significant correlation between the dimensions of research questions on the effects of e-WOM on decision of buying. In this case, it can be concluded that if, in e-WOM, there is a positive change in features of information, there should also be a positive change in searching scope. Besides, if there is a change in features of information, it causes a change in consumer's information level.
2. According to gender and social media use, consumers' effecting level are not influenced by e-WOM.
3. Consumers, sharing information when they do not satisfy with the product, are less likely to be influenced by e-WOM when they have a high level of information and expertise.
4. Consumers are influenced most by the other consumers when the other consumers have a high level of information, experience and expertise, credibility and reliability. Consumers stated that if they are indecisive, they benefit from other consumers' online reviews and these reviews provide them different perspectives, but it can also be concluded that if consumers have a high level of experience, information and expertise, they are influenced less by e-WOM.

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