### الجمهورية الجزائرية الديمقراطية الشعبية **Ministry of Higher Education and Scientific Research** وزارة التعليم العالي والبحث العلمي

People's Democratic Republic of Algeria

**HIGHER SCHOOL OF** MANAGEMENT AND **DIGITAL ECONOMY** 



المدرسة العلي للتسيير والاقتصاد

## **Dissertation Submitted in Partial Fulfillment Of The Requirements for Master's Degree**

Major: Electronic business

Electronic word of mouth and its impact on online decision making (purchase intention)

#### **Submitted by:**

**Supervised by:** 

Mr HANNAT Ayoub

Mme MERABTI Manel

Academic year 2023-2024



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#### **Abstract:**

This dissertation investigates the impact of electronic word of mouth (eWOM) on online consumer purchase intentions. It examines how the credibility of the source, the nature of the information shared, and the frequency of review reading influence consumer behavior. The research is divided into a theoretical literature review and an empirical study. The literature review explores key aspects of eWOM, including its definition, types, and role in the online purchase decision process. The empirical study, based on a questionnaire of 311 respondents, tests four hypotheses: (1) buying-related information positively impacts customers' perception of reviews, (2) the credibility and nature of eWOM significantly influence purchase intentions, and (3) frequent review reading positively impacts purchase intentions. The findings confirm all three hypotheses, highlighting that detailed and credible eWOM enhances purchase intentions, while negative eWOM deters them. The study underscores the importance of frequent eWOM engagement in shaping consumer behavior and provides recommendations for businesses to optimize their eWOM strategies, such as encouraging detailed reviews, managing negative feedback, leveraging credible sources, and promoting regular consumer engagement. This research contributes to the understanding of eWOM and offers insights for businesses aiming to leverage eWOM effectively to influence consumer purchase intentions.

**Key words:** electronic word of mouth – Purchase intention – The credibility – The frequency

#### Résumé:

Ce Mémoire étudie l'impact du bouche-à-oreille électronique (eWOM) sur les intentions d'achat des consommateurs en ligne. Il examine comment la crédibilité de la source, la nature de l'information partagée et la fréquence de la lecture des avis influencent le comportement des consommateurs. La recherche est divisée en une revue de la littérature théorique et une étude empirique. L'analyse documentaire explore les aspects clés de l'eWOM, y compris sa définition, ses types et son rôle dans le processus de décision d'achat en ligne. L'étude empirique, basée sur un questionnaire auprès de 311 répondants, teste quatre hypothèses : (1) l'information liée à l'achat a un impact positif sur la perception des avis des clients, (2) la crédibilité et la nature de l'eWOM influencent significativement les intentions d'achat, et (3) la lecture fréquente d'avis a un impact positif sur les intentions d'achat. Les résultats confirment les trois hypothèses, soulignant que l'eWOM détaillée et crédible améliore les intentions d'achat, tandis que l'eWOM négative les dissuade. L'étude souligne l'importance de l'engagement fréquent de l'eWOM pour façonner le comportement des consommateurs et fournit des recommandations aux entreprises pour optimiser leurs stratégies eWOM, telles que l'encouragement des examens détaillés, la gestion des commentaires négatifs, l'exploitation de sources crédibles, et promouvoir l'engagement régulier des consommateurs. Cette recherche contribue à la compréhension de l'eWOM et offre des informations aux entreprises visant à tirer parti de l'eWOM efficacement pour influencer les intentions d'achat des consommateurs.

Mots Clés: bouche-à-oreille électronique – Intention d'achat - La crédibilité - La fréquence

#### ملخص

تدرس هذه الأطروحة تأثير الكلمة المنطوقة الإلكترونية على نوايا شراء المستهلك عبر الإنترنت. وهو يدرس كيفية تأثير مصداقية المصدر وطبيعة المعلومات المشتركة وتواتر مراجعات القراءة على سلوك المستهلك. ينقسم البحث إلى مراجعة للأدبيات النظرية ودراسة تجربيية. يستكشف استعراض المؤلفات الجوانب الرئيسية للكلمة المنطوقة الإلكترونية، بما في ذلك تعريفه وأنواعه ودوره في عملية اتخاذ قرارات الشراء عبر الإنترنت. تختبر الدراسة التجربيية، بناءً على استبيان مع 311 مجيبًا، أربع فرضيات: (1) معلومات الشراء لها تأثير إيجابي على تصور مراجعات العملاء، (2) مصداقية وطبيعة الكلمة المنطوقة الإلكترونية تؤثر بشكل كبير على نوايا الشراء، (3) المراجعة المتكررة لها تأثير إيجابي على نوايا الشراء الشراء الشراء. تؤكد النتائج الاقتراضات ، مشيرة إلى أن الكلمة المنطوقة الإلكترونية المفصل والموثوق به يحسن نوايا الشراء، بينما يردعها الكلمة المنطوقة الإلكترونية السلبي. تسلط الدراسة الضوء على أهمية مشاركة الكلمة المنطوقة الإلكترونية المنطوقة وتعزيز والإلكترونية المائمة المنطوقة وتعزيز مشاركة المستهلك المتنظمة. يساهم هذا البحث في فهم الكلمة المنطوقة الإلكترونية ويوفر معلومات للشركات التي تهدف مشاركة المستهلك المنتظمة. يساهم هذا البحث في فهم الكلمة المنطوقة الإلكترونية ويوفر معلومات للشركات التي تهدف . إلى الاستفادة من الكلمة المنطوقة الإلكترونية بشكل فعال للتأثير على نوايا شراء المستهلك

الكلمات المفتاحية :الكلمة المنطوقة الإلكترونية - نية الشراء – مصداقية المصدر - تواتر مراجعات القراءة

## **General introduction**

In a world where digital advancements have revolutionized everything and with incessant technological developments, the way companies market themselves, sell their products, enhance their visibility, and retain customers has radically changed. Traditional marketing, while still present, has been largely supplanted by digital marketing and its new trends, pushing companies to adopt comprehensive and agile digital marketing strategies.

In a competitive environment, it is crucial for a company to ensure the proper functioning of its digital strategy, being able to quickly identify flaws and pivot to a new approach if necessary.

This study focuses on understanding the impact of electronic word-of-mouth (eWOM) on online consumer purchase intentions. Before the internet, consumers relied on friends and family for recommendations. Today, the habit remains the same, but the channel has shifted to digital platforms where eWOM has become a strong indicator of social proof for businesses.

Our main concern is to address the following problem: "What is the impact of eWOM on online consumer purchase intentions?"

To explore this problem, we structured our research into two main parts. The first part focuses on a theoretical literature review, providing a conceptual foundation for understanding eWOM, its credibility, types, and its role in the stages of the online purchase decision process.

This review offers a solid theoretical basis for our empirical study.

The second part adopts a practical approach, involving a quantitative study through a survey. This empirical study aims to apply theoretical concepts to real-world scenarios, enhancing our understanding and analysis. We used Google Forms and Google Sheets for data collection and analysis.

To address this problem, we posed the following sub-questions:

- How does buying-related information impact customers' perception of reviews?
- In what ways does the credibility and nature of eWOM influence purchase intentions
- What is the relationship between the frequency of reading online reviews and their impact on purchase intentions?

Based on these questions, we formulated several hypotheses:

- 1. Buying-related information has a positive impact on customers' perception of reviews.
- 2. The credibility of eWOM and the nature of the information (positive or negative) significantly influence consumers' purchase intentions.
- 3. The impact of eWOM on consumers' purchase intentions is positively linked to the frequency of reading online reviews.

We collected data from a sample of 311 respondents who read online reviews before deciding to make a purchase. This quantitative research method helped us analyze behaviors, opinions, and expectations in measurable quantities.

Our main motivation for this research is to explore how eWOM can transform the online purchasing behavior of consumers. As a student specializing in E-business, I had the opportunity to closely observe the dynamics of eWOM and its influence on consumer decisions. This thesis seeks to provide concrete answers and practical recommendations based on empirical and theoretical data to help businesses optimize their eWOM strategies.

In summary, this research aims to provide a deep understanding of the effects of eWOM on online consumer purchase intentions. Through a rigorous methodological approach, we propose practical solutions to improve the digital marketing efforts of businesses, contributing to their growth and competitiveness in an increasingly digitalized market.

<u>Chapter 1:</u> Understanding the power of eWOM in Shaping Online Purchases.

#### Introduction

The digital revolution has dramatically transformed the landscape of consumer behavior and marketing strategies. Among the myriad changes, electronic word-of-mouth (eWOM) has emerged as a critical influencer in the online purchasing ecosystem. Unlike traditional word-of-mouth, eWOM transcends geographical boundaries, enabling consumers to share their experiences and opinions about products and services with a global audience in real-time.

This chapter aims to unpack the concept of eWOM and its significant impact on online purchasing intentions. We will begin by defining eWOM and exploring its various forms, from social media posts and online reviews to influencer endorsements and customer testimonials. Understanding these elements is crucial for businesses looking to navigate the complex digital marketplace and leverage eWOM to drive consumer engagement and sales.

Furthermore, we will delve into the mechanisms that underpin the credibility and influence of eWOM. Factors such as the trustworthiness of the source, the quality of the content, and the platforms on which eWOM is shared play pivotal roles in shaping consumer perceptions and decisions. By examining these components, we aim to provide a comprehensive framework that businesses can use to enhance their eWOM strategies.

As we explore the interplay between eWOM and online purchasing decisions, this chapter will highlight the strategic importance of fostering positive eWOM and managing negative feedback effectively. By the end of this chapter, readers will gain valuable insights into how eWOM operates and its profound influence on consumer behavior in the digital age.

#### 1) Section 01: Electronic word of mouth

#### Introduction

Before the internet, when a consumer was looking to buy something they would turn to their friends and family for recommendations. But today, the channel is different but the habit is the same. Today's connected consumer seeks out recommendations in the form of electronic word of mouth (eWOM). In fact, eWOM has become one of the strongest indicators of social proof for businesses today.

#### 1.1 Definition of electronic word of mouth

eWOM, also known as electronic word of mouth, is a phenomenon where individuals share their opinions, experiences, and recommendations about products or services in the digital realm. This exchange of information occurs through various online channels, including social media platforms like Instagram, Facebook, Twitter, TikTok, and YouTube, where users post about their purchases or experiences. Additionally, online reviews on platforms such as Yelp, Tripadvisor, and Google, along with influencer-generated content, contribute to the landscape of eWOM.

These conversations extend beyond social media to encompass search engines like Google and Bing, where users seek product information and reviews before making purchasing decisions. Furthermore, eCommerce giants like Amazon and eBay serve as hubs for eWOM discussions, as consumers often leave reviews and feedback on their purchases.

The influence of eWOM has experienced significant growth in recent years, becoming a pivotal aspect of modern marketing strategies. Marketers, particularly those catering to businesses with multiple locations, recognize the immense potential of eWOM in bridging the gap between online engagement and real-world purchases. By leveraging the power of eWOM, businesses can enhance their brand reputation, drive sales, and cultivate stronger relationships with their target audience.

By paying attention to eWOM, businesses can build trust with customers, improve their reputation, and sell more products or services. It's like having a bunch of friends recommending stuff to you, but it's all happening online.

#### 1.1.1 Credibility of eWOM

The credibility of the source is defined as a characteristic of the issuer (the sender).

It is seen as the extent to which a source of information is perceived as credible and competent by information receivers.

In an online environment, all users can interact and post their reviews anonymously. The receiver of the message must then judge the credibility of the source to adopt or reject the information received <sup>1</sup>.this makes the credibility of the source a primary factor <sup>2</sup>

Indeed, the credibility of the source has been studied by several researchers and has proven to be one of the most important factors that individuals use in the process of adopting a message<sup>3</sup> The more credible the source, the more persuasive the receiver finds the message and is ready to adopt it<sup>4</sup>. This is explained by the researchers for the following reasons:

- learning arguments from a highly credible source produces a stronger motivation (incentive) in that individuals can anticipate its approval in return.
- Information from a highly credible or appreciated source is perceived as more rewarding to the individual.
- The receiver is ready to accept a message or information when the source is deemed reliable.
- Information or message from a qualified and expert source convinces the individual to accept it and reduces uncertainty

<sup>&</sup>lt;sup>1</sup> Cheung, C.M.K., Lee, M.K.O & Rabjhon, N. (2008). The impact of electronic word-of mouth. Internet research, PP. 229-247

<sup>&</sup>lt;sup>2</sup> Chatterjee, P. (2001). Online reviews: do consumers use them? Consumer research, PP. 129-133

<sup>&</sup>lt;sup>3</sup> Wathen, C.N & Burkell, J. (2012). Believe it or not: factors influencing credibility on the web. journal of the american society for information science and technology, PP. 134-144

<sup>&</sup>lt;sup>4</sup> Hovland, C., Janis, I.L & Kelley, H.H. (1953). Communication change and persuasion: psychological studies of opinion change. Yale University press

Palmatier et al. (2007)<sup>1</sup>, explain the credibility of the source through trust in the issuer. These authors consider trust a history of word of mouth. This component is particularly important on the Internet because it reassures the user and reduces his uncertainty<sup>2</sup>

In addition, it reassures the user about the reliability of reviews and testimonials on products and services published on the internet.

The Yale School identified many parameters and variables contributing to the learning of a message.

However, as research progressed, the results were often contrary to expectations. For example, in some work, adherence to the message (persuasion) was more important when the source was weakly credible rather than strongly credible<sup>3</sup>

These contradictory results led researchers to gradually abandon the model of reinforcement and learning as a driver of attitude change in the context of persuasion.

The credibility of the source is therefore a history of the adoption of a message. The latter is then based on the judgment of the receiver of the information or message<sup>4</sup>

If we refer to the work carried out on the credibility of the source of the message two dimensions emerge: expertise and reliability<sup>5</sup>

#### a. The expertise

Expertise is defined as the body of relevant knowledge based on the individual's personal experiences<sup>6</sup>.

This expertise refers to the experience of the source, through its qualities, knowledge, qualification and intelligence. These elements give an idea of the issuer's ability to control the situation so that the exchange can take place without incident. Expertise can also be

<sup>&</sup>lt;sup>1</sup> Palmatier, R., Dant, R & Evans, K. (2007). Les facteurs qui influencent l'efficacité du marketing relationnel: une méta-analyse. Journal of marketing, PP. 136-153

<sup>&</sup>lt;sup>2</sup> Chouk, I & Perrien, J. (2003). Les dÉterminants de la confiance du consommateur lors d'un achat sur un site marchand: proposition d'un cadre conceptuel prÈliminaire. centre de recherche DMSP

<sup>&</sup>lt;sup>3</sup> Eagly, A.H & Chaiken, S.(1993). The psychology of attitudes. Harcourt brace

<sup>&</sup>lt;sup>4</sup> O'keefe, D.J. (1990). Persuasion: theory and research. sage publication

<sup>&</sup>lt;sup>5</sup> Kiecker, P & Cowles, D. (2001). Communication interpersonnelle et influence personnelle sur internet: Un cadre pour examen du bouche ‡ oreielle en ligne. Euromarketing, PP. 71-88

<sup>&</sup>lt;sup>6</sup> Keaveney, S & Parthasaraty, M. (2001). Customer Switching Behavior in Online Services: An exploratory study of the role of selected attitudinal behavioral, and demographic factors. Journal of the accademy of marketing science, PP. 374-390

considered an effective way to reduce the perceived risk associated with the decision, use or consumption of the product. Indeed, in certain circumstances, this expertise constitutes a safety factor against unpleasant consequences that may occur following the adoption of a new product.

Indeed, an expert can be paid to write his comment (Film review, computer product specialist, etc...). The advertising bluster and its false advertising procession has taught the consumer to be wary of biased opinions. For this purpose, companies call on these experts to talk about their product or services via the internet and social networks, which has completely transformed the way people inform themselves.

Generally, consumer opinions are associated more often with credibility, and those of professionals with expertise. Those of consumers have more influence and are perceived to be more trustworthy<sup>1</sup>. When a comment is read, the reader focuses on the motivations that prompted the person to write it.

If the notice is perceived as a result of a financial interest (being paid to promote the product, receiving benefits from the company selling the product, etc.), the credibility granted will be lower, and its message will be associated with advertising. The degree of credibility is thus directly linked to the perceived motivations of the issuer to post its information.

By the legitimate authority of experts to give their opinion, it is not necessary to have a large volume and may even be the only one to give his opinion. As a result, low volumes favour experts while high volumes favour consumer recommendations. For those who are used to using recommendations, the expertise gap between an expert and other consumers who are experts in their field is quite small<sup>2</sup>. This can also be a strategy for retailers to produce false expert-type comments for low-volume products.

#### The reliability:

Source reliability is defined as the issuer's intention to provide truthful information about the product or service. The credible source informs the public of what they think in a sincere, objective and transparent manner. Thus, it respects all its commitments to others. Trust is central to model of consumer behaviour, as is the attitude of assessing beliefs about the

<sup>1</sup> Huang, J.H & Chen, Y.F. (2006). Herding in online product choice. Psychology & marketing, PP. 413-420

<sup>&</sup>lt;sup>2</sup> Metzger, M.J & Flanagin, A.J. (2013). Credibility and trust of information in online environments: the use of cognitive heuristics. Journal of pragmatics, PP. 210-220

characteristics of innovation. In the field of services, trust represents an expectation, a belief and a feeling, determining the intention. This idea holds for any consumption situation implying a high degree of perceived risk and decision uncertainty<sup>1</sup>.

Some previous studies have indicated that online information is perceived as credible as offline information because of the lack of a benchmark on internet<sup>2</sup>. Indeed for a message coming from the traditional BAO these two dimensions namely the trust and reliability of the source are easily evaluated by the receiver because the information comes from a person we know and therefore the receiver is able to judge its trust<sup>3</sup> or its expertise in the field under question. But in an online context, the messages come from people who are foreigners and who do not necessarily have the expertise on the product category. The anonymous nature of online communications makes it difficult for the receiver to determine the quality and credibility of the receiver.<sup>4</sup>

The credibility of electronic word of mouth is thus assessed using the indices available online such as the characteristics of messages<sup>5</sup>. An individual may perceive part of the message as credible and doubtful of other elements. As a result, credibility is not necessarily an attribute specific to the source but rather a subjective perception made from information acquired and experiences with the source. Thus, a source can be perceived as credible because the messages present are<sup>6</sup>.

#### 1.2 Types of eWOM

eWOM, or electronic word of mouth, is a form of consumer-generated communication that takes place online. It includes various types of communication, each with its own characteristics and implications for marketing. Some of the main types of eWOM are:<sup>7</sup>

<sup>&</sup>lt;sup>1</sup> Guibert, N. (1999). La confiance en marketing, fondement et applications. Recherche et application en Marketing, PP. 1-19.

<sup>&</sup>lt;sup>2</sup> Smith, D;? Menon, S 1 Sivakumar, K. (2005). Online peer and editorial recommedations, trust and choice in virtual marketis. Journal of interactive marketing, PP. 15-37

<sup>&</sup>lt;sup>3</sup> Bansal, H.S., Voyer, P.A. (2000). Word of mouth processes within a services purchase decision context. Journal of service research, PP. 166-177.

<sup>&</sup>lt;sup>4</sup> Schindler, R.M & Bickart, B. (2005). Published word of mouth: referable, consumer generated information on the internet. Online consumer psychology, PP. 35-61

<sup>&</sup>lt;sup>5</sup> Wathen, C.N & Burkell, J. (2002). Believe it or not: factors influencing crÈdibility on the web. Journal of the american society for information science and technology, PP. 134- 144

<sup>&</sup>lt;sup>6</sup> Self, C. (1996). Credibilit, an intergrated approach to communication theory and research. Mahw ah, NJ: Lawrence Erlbaum associates, PP. 421-441

<sup>&</sup>lt;sup>7</sup> https://www.shiprocket.in/blog/electronic-word-of-mouth-ewom/#EWOM Types [consulted 03/05/2024]

 Viral marketing: This type of eWOM campaign depends on a selected audience that creates awareness about a brand or product. It is considered successful when it reaches a wider audience

is an online marketing strategy that aims to create engaging and entertaining content with the intention of having it widely shared across the Internet. It can take various forms, such as videos, images, memes, eBooks, articles, lists, and more. The goal is to inspire individuals to share the content with their friends, family, and networks, resulting in exponential growth in the number of recipients.<sup>1</sup>

- Emotional marketing: This type of eWOM uses emotions to influence the customer's buying behavior, often based on ongoing events or recent news that witnesses people's participation and also is a form of advertising and marketing that uses human emotions as the basis of a campaign to create a strong reaction in a consumer. It aims to establish positive associations between the brand and the consumer, which can drive long-term loyalty.<sup>2</sup>
- Buzz marketing: This eWOM strategy boosts the awareness of products through campaigns and encourages discussions about the brand among online groups and is a strategic technique used by marketing professionals to promote a product, especially during its launch. It involves creating a buzz around the product to optimize word-of-mouth communication. Typically, buzz marketing aims to attract attention, provoke controversies, or elicit strong reactions about the product. This marketing concept emerged in the early 2010s with the advancement of communication technologies and gained momentum with the rise of social media platforms, enabling instant global dissemination of information to a wide network of contacts.<sup>3</sup>
- Referral marketing: also known as word-of-mouth marketing, in this method, brands provide incentives to customers who promote their products. This form of marketing leverages existing customers and their networks to generate new leads and customers. Referral marketing involves creating programs that incentivize customers to refer friends, family, or colleagues to the business, often resulting in increased brand awareness, customer loyalty, and sales. By tapping into the power of personal recommendations,

<sup>&</sup>lt;sup>1</sup> Kagan, Julia. "Viral Marketing." Investopedia, 31 Dec. 2022, www.investopedia.com/terms/v/viral-marketing.asp.

<sup>&</sup>lt;sup>2</sup> https://www.elevenagency.co.uk/insight/what-is-emotional-marketing [consulted 03/05/2024]

<sup>&</sup>lt;sup>3</sup> https://sendpulse.com/fr/support/glossary/buzz-marketing [consulted 04/05/2024]

- referral marketing can be a cost-effective and powerful tool for businesses to expand their customer base and build trust with potential customers.<sup>1</sup>
- Publicity: This type of eWOM focuses on enhancing product visibility and awareness by shaping media attention, helping to build brand reputation and crisis management, refers to the dissemination of positive or negative statements made by potential, actual, or former customers about a product or company via the internet. It plays a crucial role in shaping brand reputation, influencing consumer behavior, and driving business outcomes. Publicity can be a powerful tool for businesses, as it can attract new customers, generate more business, and build a positive image. Monitoring and managing online reputation, especially through platforms like review websites and social media, is essential for leveraging publicity effectively in the digital age.<sup>2</sup>
- Social media marketing: Social media has become one of the most popular eWOM marketing channels, with 71% of consumers being more likely to buy a product based on social media referrals. It encompasses various marketing techniques aimed at enhancing visibility, driving traffic to websites, fostering customer loyalty, and ultimately increasing sales. Social media marketing includes both organic actions, such as content sharing (social media optimization SMO), and paid actions, like social media advertising (SMA), to reach and engage with target audiences effectively. This form of marketing is essential for businesses looking to establish a strong online presence, connect with customers, and achieve their marketing objectives through social media channels.<sup>3</sup>
- Blogging: Writing blogs and posting them on different online platforms for public view is another form of eWOM, which enables brands to spread awareness about their products and services and build trust in consumers. There are various types of blogs, including personal journals, blogs about specific topics, and business blogs. Most blogs focus on a specific theme, such as travel, fashion, or cooking. Blogs have become recognized online media, and many companies have their own blogs to communicate with their targets or clients. Blogging does not have any creative limits, but certain rules should be followed to create high-quality blog content. The number of blogs has significantly increased worldwide, with individuals using blogging to write their thoughts and share ideas and experiences with readers, and businesses using blogs to improve their brand image,

<sup>&</sup>lt;sup>1</sup> https://sproutsocial.com/insights/referral-marketing/ [consulted 04/05/2024]

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position themselves as experts, and build customer loyalty. Successful blogs are authentic, unique, and focused on the expectations of their target audience.<sup>1</sup>

#### 1.3 The evolotion of eWOM and The eWOM vs traditional WOM

#### 1.3.1 The evolution of eWOM

The evolution of electronic word of mouth (eWOM) has significantly transformed how consumers and businesses interact in the digital age. From its early beginnings in the pre-Internet era, where traditional word of mouth was confined to verbal and localized exchanges, to the expansive and instantaneous reach of social media and mobile applications, eWOM has reshaped marketing dynamics. The advent of Web 2.0 technologies, the proliferation of smartphones, and recent advancements in artificial intelligence and big data analytics have further enhanced the influence and effectiveness of eWOM, making it a pivotal element in modern marketing strategies. This paper explores the historical progression of eWOM, highlighting key developments and their implications for businesses and consumers..

#### 1.3.1.1 Pre-Internet Era (Before 1990s)

Before the advent of the Internet, traditional word of mouth (WOM) was the primary means of sharing opinions and recommendations. This form of communication was predominantly verbal and localized, relying on face-to-face interactions and personal networks. The influence of WOM was significant but limited by geographical boundaries and the number of people one could directly communicate with. This era laid the groundwork for understanding how personal recommendations impact consumer behavior.<sup>2</sup>

#### **1.3.1.2 Early Internet Era (1990s)**

The early days of the Internet saw the first instances of eWOM through emails, newsgroups, and online forums. This period marked the transition from traditional WOM to digital platforms, allowing for broader dissemination of opinions and experiences. The reach of eWOM expanded significantly, but it was still limited in speed and volume compared to later

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<sup>&</sup>lt;sup>2</sup> Litvin, S.W., Goldsmith, R.E., & Pan, B. (2008). *Electronic word-of-mouth in hospitality and tourism management*. Tourism Management, 29(3), 458-468.

developments. During this time, the foundation for online consumer reviews and forums was established.<sup>1</sup>

#### 1.3.1.3 Web 2.0 Era (2000s)

The rise of Web 2.0 technologies in the 2000s revolutionized eWOM by introducing interactive and user-generated content platforms like Facebook, Twitter, Yelp, and TripAdvisor. These platforms enabled real-time sharing of experiences and opinions, significantly increasing the impact and reach of eWOM. Social media became a powerful tool for consumers to influence each other, and businesses started leveraging these platforms for marketing and customer engagement.<sup>2</sup>

#### 1.3.1.4 Mobile and Social Era (2010s)

The proliferation of smartphones and mobile applications in the 2010s further accelerated the spread of eWOM. Consumers could now share their experiences instantaneously, complete with photos and videos, enhancing the credibility and attractiveness of their reviews. Location-based services integrated into social media apps provided additional context and immediacy, making eWOM more relevant and influential in real-time purchasing decisions.<sup>3</sup>

#### **1.3.1.5 AI and Big Data Era (2020s)**

In the 2020s, advancements in artificial intelligence (AI) and big data analytics have significantly refined eWOM. These technologies enable the analysis of large volumes of online reviews and social media interactions, providing insights into consumer sentiments and trends. Personalized and targeted marketing strategies based on eWOM data have become prevalent, with businesses leveraging AI to enhance customer engagement and influence purchasing decisions.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Hennig-Thurau, T., Gwinner, K.P., Walsh, G., & Gremler, D.D. (2004). Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the Internet? Journal of Interactive Marketing, 18(1), 38-52.

<sup>&</sup>lt;sup>2</sup> Kaplan, A.M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of Social Media. Business Horizons, 53(1), 59-68.

<sup>&</sup>lt;sup>3</sup> Xiang, Z., & Gretzel, U. (2010). Role of social media in online travel information search. Tourism Management, 31(2), 179-188.

<sup>&</sup>lt;sup>4</sup> Ismagilova, E., Dwivedi, Y.K., Slade, E., & Williams, M.D. (2019). Electronic word of mouth (eWOM) in the marketing context: A state of the art analysis and future directions. Springer, 46(6), 1352-1370.

#### 1.3.2 The Role of eWOM in Advertising, Communication, and Marketing

Electronic word-of-mouth (eWOM) refers to positive or negative statements made by potential, actual, or former customers about a product or company made available via the Internet. It occurs when consumers exchange information online, such as user-generated content, online product reviews, personal emails, and social media posts. As digital media and new technologies evolve, eWOM has become an important topic in advertising, communication, and marketing research. In today's cluttered world, eWOM is considered more influential than advertising and marketing messages. Positive eWOM communications have been recognized as an important promotional tool.

Several studies have explored the role of eWOM in sales and purchase behavior, digital WOM versus traditional offline WOM, and its impact on consumer communities. Phelps and Okazaki have expanded PC-based eWOM to mobile-based eWOM, and Sun et al. have studied eWOM from a communication perspective, exploring its linkage with innovativeness, Internet usage, and Internet social connection. Overall, these articles provide a foundational understanding of eWOM and its relationship with advertising, communication, and marketing.<sup>1</sup>

#### 1.3.3 eWOM vs traditional WOM

Traditional word-of-mouth marketing has its limitations. It spreads among a smaller group of people. Electronic word-of-mouth marketing, on the other hand, works at a wider level. It involves consumers around the world providing product reviews and suggestions to each other on different online platforms. And this is a table explains how:

**Table 01:** The difference between electronic word of mouth and traditional one

Aspect	WOM	Electronic WOM
Setting	Offline and physical	Online and virtual
Message source	Acquaintances	Acquaintances and anonymous
Duration	Shorter	Longer
Accessibility	Smaller [ear to ear]	Larger [no geographical limit]

 $^{1}\,\underline{\text{https://www.oxfordbibliographies.com/display/document/obo-}9780199756841/obo-9780199756841-0267.xml\#obo-9780199756841-0267-bibltem-0005}$ 

Feedback	Limited and short-lived	Open and measurable
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**Source:** Wang, T., Yeh, R.K.J., Chen, C. & Tsydypov, Z. (2016). What drives electronic word-of-mouth on social networking sites? Perspectives of social capital and self-determination. Telematics and Informatics, 33 (4), 1034-1047

#### Section 02: Online purchase decision

#### Introduction

When people shop online, they go through different steps before deciding to buy something. This process of making a purchase decision is called the online decision-making process. It's important for businesses to understand how this process works so they can influence people's decisions and encourage them to buy their products or services.

In the previous section, we discussed electronic word-of-mouth (eWOM), which is when people share their opinions and experiences about products or services online. eWOM plays a big role in how people make decisions when shopping online. It can affect people at different stages of the decision-making process, from realizing they need something to evaluating their options and finally choosing what to buy.

This section will look closely at the different stages of the online decision-making process and how eWOM influences each stage. We'll explore how eWOM can help people become aware of products, gather information, compare alternatives, and ultimately decide what to purchase.

Additionally, we'll examine the factors that can make eWOM more or less effective in influencing people's decisions. These factors may include things like the type of product, the person's interests and knowledge, and how trustworthy the eWOM message seems.

By understanding the online decision-making process and the role of eWOM, businesses can develop better strategies to use eWOM effectively and guide people towards making a purchase decision that favors their products or services.

#### 2.1 Stages of the Online purchase Decision

#### Introduction

The online decision-making process consists of several distinct stages that consumers navigate through before making a purchase. Central to this process is the influence of electronic word-of-mouth (eWOM), the sharing of information and opinions about products and services through digital channels. eWOM plays a significant role across the various stages, shaping consumer awareness, perceptions, and ultimately, purchase decisions. In the following sections, we will explore the specific stages of the online decision-making process and how eWOM impacts consumer behavior at each step, providing insights for businesses to leverage this powerful form of user-generated content effectively.

Table 2: Stages of the online purchase decision

Stage	Meaning for products	Meaning for services
1. Problem Recognition	<b>Definition</b> : This is the stage	<b>Definition</b> : This stage
	where the consumer	involves realizing the
	identifies a need or problem	necessity for a particular
	that requires a solution.	service to address a specific
	Trigger: It can be triggered	need. Trigger: Similar to
	by internal factors like	products, triggers can be
	personal needs or external	internal, such as personal
	factors like advertisements.	goals, or external, such as
		promotional emails.
2. Information Search	<b>Definition</b> : After	<b>Definition</b> : Consumers look
	recognizing the need, the	for information about
	consumer actively seeks	services that can meet their
	information about products	identified need. Methods:
	that can satisfy their need.	This might include reading
	Methods: This can involve	testimonials, checking
	looking up online reviews,	service provider ratings, and
	comparing product	exploring service offerings
	specifications, and seeking	online

	recommendations.	
3. Evaluation of	<b>Definition</b> : Consumers	<b>Definition</b> : Consumers
Alternatives	compare different products	assess various service
	to determine which one best	providers to decide which
	meets their criteria.	one offers the best solution.
	Criteria: This evaluation is	Criteria: Evaluation is
	based on features, price,	based on factors like
	quality, and reviews	features, cost, quality,
		availability, and customer
		testimonials.
4. Purchase Decision	<b>Definition</b> : The consumer	<b>Definition</b> : The decision-
	makes a decision on which	making process culminates
	product to purchase.	in the selection of a service
	Influences: This decision	provider. <b>Influences</b> :
	can be influenced by	Factors such as discounts,
	promotions, brand loyalty,	reputation, and convenience
	and the ease of the	of booking can affect the
	purchasing process.	decision.
	<b>Definition</b> : After	<b>Definition</b> : Post-purchase,
	purchasing, the consumer	the consumer reviews their
	evaluates their satisfaction	experience with the service.
	with the product.	Implications: This involves
	Implications: This includes	evaluating the service
5. Post-Purchase Behavior	assessing product	quality and customer
	performance and interaction	support, which impacts
	with customer service,	repeat business and reviews.
	which influences future	
	purchase decisions and	
	feedback.	

#### 1.1 Need Recognition Stage

Positive electronic word-of-mouth (eWOM) shared on social media platforms can play a crucial role in creating awareness and triggering the recognition of a need or desire for a product or service that the consumer may not have been previously aware of. The study by highlights how eWOM shared through social media channels can significantly influence consumer decision-making, particularly in the context of tourism and travel. For instance, when consumers see their friends, family members, or influential individuals rave about a new travel destination or experience on social media platforms like Facebook, Instagram, or Twitter, it can spark interest and make them recognize a need or desire to visit that destination or try that experience. The vivid descriptions, captivating visuals, and personal endorsements shared through eWOM can effectively expose consumers to new products or services and stimulate a sense of need or want that they may not have previously considered.<sup>1</sup>

#### 1.2 Information Search Stage

Once a need or desire has been recognized, consumers actively engage in the information search stage, during which they seek out and heavily rely on eWOM in the form of online reviews, recommendations, and social media posts to gather detailed information about potential options. As highlighted by, eWOM serves as a valuable source of information, providing insights, experiences, and opinions from others who have used or purchased the product or service. Consumers consult various online platforms, such as review websites (e.g., Yelp, TripAdvisor), social media influencers' accounts, or even their personal networks, to gather credible eWOM information. They use this information to learn about product or service features, quality, pricing, and how different alternatives compare to one another. The study emphasizes the significant role eWOM plays in shaping consumer perceptions and decision-making during this crucial stage of information gathering and option narrowing.<sup>2</sup>

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<sup>&</sup>lt;sup>1</sup> Tham, A., Croy, G., & Mair, J. (2013). Social media in destination choice: Distinctive electronic word-of-mouth dimensions. Journal of Travel & Tourism Marketing, 30(1-2).

<sup>&</sup>lt;sup>2</sup> Ladhari, R., & Michaud, M. (2015). *eWOM effects on hotel booking intentions, attitudes, trust, and website perceptions*. International Journal of Hospitality Management

#### 2.1.3 Evaluation of Alternatives Stage

As consumers progress to the evaluation of alternatives stage, eWOM continues to play a pivotal role in shaping their perceptions and attitudes towards different brands and products. The study by underscores the influence of eWOM on consumer decision-making during this stage. Positive eWOM, in the form of favorable reviews, recommendations, or endorsements, can increase the likelihood of a product or service being included in the consumer's consideration set. Conversely, negative eWOM, such as critical reviews or complaints, can lead to the elimination of certain options from the consumer's evaluation set. During this stage, consumers actively use eWOM to compare the relative merits and drawbacks of different alternatives based on various factors, including product or service quality, value for money, customer service experiences, and overall brand reputation. The credibility and trustworthiness of the eWOM source play a crucial role in determining how consumers weigh and interpret the information they encounter.<sup>1</sup>

#### 2.1.4 Purchase Decision Stage

As consumers approach the purchase decision stage, the cumulative effect of eWOM can directly influence and reinforce their purchase intention and final choice. The study by highlights the significant impact of eWOM on consumer decision-making at this stage. Positive eWOM from trusted sources, such as industry experts, influencers, or a large volume of positive reviews from fellow consumers, can increase confidence in the purchase decision and reinforce the consumer's choice. On the other hand, negative eWOM, particularly from credible sources or regarding specific concerns or drawbacks, can deter consumers from making a purchase, leading them to reconsider their decision or explore alternative options. The timing and recency of eWOM can also play a role, with more recent reviews or recommendations potentially carrying more weight in the final purchase decision.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Jalilvand, M. R., & Samiei, N. (2012). The effect of electronic word of mouth on brand image and purchase intention. Marketing Intelligence & Planning, 30(4),

<sup>&</sup>lt;sup>2</sup> Ladhari, R., & Michaud, M. (2015). eWOM effects on hotel booking intentions, attitudes, trust, and website perceptions. International Journal of Hospitality Management,

#### 2.1.5 Post-Purchase Behavior Stage

Even after a purchase has been made, eWOM continues to play a significant role in shaping consumer behavior and influencing others in the decision-making process. As highlighted by, satisfied customers may choose to share positive eWOM, expressing their satisfaction with the product or service and reinforcing their decision to purchase. This positive eWOM can serve as a powerful endorsement and influence others who are in the decision-making process for the same or similar products or services. Conversely, dissatisfied customers may express negative eWOM, sharing their disappointment, issues, or complaints, which can impact future purchase decisions and brand perceptions of others. The study emphasizes the importance of businesses monitoring and responding to both positive and negative eWOM during this post-purchase stage, as it can foster customer loyalty or address potential issues before they escalate.<sup>1</sup>

## 2.2 Factors driving consumers to engage in eWOM communication on social networking sites

#### Introduction

There are several factors which drive to engage in eWOM communication on social networking sites. These factors may have positive or negative impact on the brand/ product depending upon the experiences of the consumers. Various factors which motivate/ drive consumers are depicted in Figure 1.

#### 2.2.1 Trust

Trust is a crucial element in communication. It is defined as the willingness to rely on a partner in whom one has confidence<sup>3</sup>. According to previous studies, trust is the foundation upon which beliefs and attitudes are built. Trust facilitates the sharing of knowledge, whether in face-to-face interactions or online environments. People participate in online communication or social interaction only when they trust one another, which is fostered by

<sup>1</sup> Tham, A., Croy, G., & Mair, J. (2013). Social media in destination choice: Distinctive electronic word-of-mouth dimensions. Journal of Travel & Tourism Marketing, 30(1-2), 144-155.

<sup>&</sup>lt;sup>2</sup> https://directiveconsulting.com/5-stages-of-the-consumer-decision-making-process-and-how-its-different/ [consulted 09/05/2024]

 $<sup>^3</sup>$  Moorman, C., Deshpande, R., &Zaltman, G., (1993). Factors affecting trustin market research relationships. Journal of Marketing, 57 (21), 81-102

viewing each other's profiles or having social ties. Trust also reduces uncertainty, which is a significant concern for online participation. The higher the level of trust, the more information is shared [Alexandru, 2010;<sup>1</sup>; Choi & Scott, 2013<sup>2</sup>; Hansen & Lee, 2013<sup>3</sup>]. Referred to the factor of trust as Credibility. For electronic word-of-mouth (eWOM) communication to be reliable, both source and message credibility are necessary. They identified four components of source and message credibility: community, competence (referred to as Knowledge self-efficacy by content, and consensus. If these four factors are present, the communication will be perceived as more credible.

#### 2.2.2 Interpersonal Influence

Interpersonal influence is a factor which determines the effect of one person on another in influencing consumer decision making.<sup>4</sup>; identified two dimensions of interpersonal influence and they are:

**2.2.2.1** <u>Informational Interpersonal Influence</u>: These are the kind of people who are on look out for the information and they ask from their family and friends about the product/ brand. When they get the information, they consider it credible. This factor has been found to be positively related with eWOM as they have a higher need to acquire information so that they can take purchase decision.

2.2.2.2 <u>Normative Interpersonal Influence</u>: These are the kind of people who like to follow what everybody is doing to get acceptability or to fulfil the expectations of others. This is because they want social approval. This factor is also positively related with eWOM (Hansen & Lee, 2013<sup>5</sup>). Also recognized the positive relation of eWOM with informational influence and normative influence; however, they explained it as a determinant of credibility.

<sup>&</sup>lt;sup>1</sup> Alexandru, B. (2010). The art and science of word-of-mouth and electronic word-of-mouth. Fascicle of Management and Technological Engineering, IX (XIX),4.7-4.16. Retrieved

fromhttp://imtuoradea.ro/auo.fmte/files-2010-v1/MANAGEMENT/Bajenaru%20Alexandr u%20L1.pdf  $^2$  Choi, J.H. & Scott, J.E. (2013) . Electronic word of mouth and knowledgesharing on social network sites: A socialcapital perspective. Journal of Theoreticaland Applied Electronic Commerce Research, 8 (1), 69-82. Doi: 10.4067/S0718-18762013000100006

<sup>&</sup>lt;sup>3</sup> Hansen, S.S. & Lee, J.K. (2013). Whatdrives consumers to pass along marketer-generated eWOM in Social NetworkGames? Social and game factors in play. Journal of Theoretical and Applied Electronic Commerce Research, 8 (1), 53-68. Doi: 10.4067/S0718-18762013000100005.

<sup>&</sup>lt;sup>4</sup> Chu, S. C., & Kim, Y. (2011).Determinants of consumer engagement inelectronic word-of-mouth (eWOM) in socialnetworking sites. International Journal of Advertising, 30 (1), 47 – 75

#### 2.2.3 Information Availability

When consumers go through the traditional process of buying a product, generally the information available is through the salesman selling the product and it is obvious that they will only tell the positive things about the product but when we interact with other consumers we get to know about the real facts whether be positive or negative. However, the traditional word-of-mouth also provided us information but with eWOM we have a chance to get more information and both the positive and negative opinions about the product which can help us in taking a final decision. This factor can further be detailed in two ways and i.e. seeking advice and resolving problems. Seeking advice is when one is in the process of purchase they want to gather as much as information possible so as to take right decision. When one faces a problem either with a product or anything personal, they find solace in talking to others and it also helps in getting the solution to the problem and this is known as resolving problems.

#### 2.2.4 Sense of Community

When we have something common with others whether it is in our personal lives or interaction in virtual environment. we develop a sense of belongingness with them. The sense of community can develop through shared language, shared culture, shared beliefs and demographic similarities etc Shared language and demographic similarities were found to be negatively related with eWOM<sup>2</sup> whereas shared culture and shared beliefs (perceptual affinity) was found to be positively related<sup>3</sup>. If the consumer belongs to a collectivist culture, he basically belongs to the receiving end he is looking for the information. While if consumer belongs to individualistic culture, he acts as information provider.<sup>4</sup> identified a positive relation of this factor with eWOM engagement. They simply defined it as emotional involvement with others where the goals of different people match, they have something in common with others or they can identify themselves with others and thus, they consider those people as their friends and share their experiences with others. This factor also increases the

<sup>&</sup>lt;sup>1</sup> Mikalef, P., Giannakos, M. & Pateli, A.(2012). Shopping and word-of-mouthintentions on social media. Journal ofTheoretical and Applied ElectronicCommerce Research, 8 (1), 17-34. Doi:10.4067/S0718-18762013000100003

<sup>&</sup>lt;sup>2</sup> Alexandru, B. (2010). The art andscience of word-of-mouth and electronicword-of-mouth. Fascicle of Managementand Technological Engineering, IX (XIX),4.7-4.16. Retrieved fromhttp://imtuoradea.ro/auo.fmte/files-2010-v1/MANAGEMENT/Bajenaru%20Alexandr u%20L1.pdf <sup>3</sup> Ibid

<sup>&</sup>lt;sup>4</sup> Majali, T.A. & Bohari, A.M. (2016). AConceptual Model of Electronic Word of Mouth Communication through Social Network Sites: The Moderating Effect of Personality Traits. International Review of Management and Marketing, 6 (S7), 265-269.

loyalty within the group. this factor as Homophily and found it to be negatively associated with eWOM engagement.

#### 2.2.5 Concern for Others

Some people are altruistic in nature. They have selfless concern for the well-being of others. These kinds of people want to help others in any which way they can. Thus, such people in online environment tend to share their product experiences or knowledge with others so that they can help them in taking better product decisions. These people don't expect anything in return. They just want to provide benefit to others and prevent them from taking any wrong or negative decision. This factor was found to be a primary motivator for engagement in eWOM<sup>1</sup>.

#### 2.2.6 Involvement

People don't get attached with people only. They develop feelings for things or products also which are materialistic and these feelings are so strong that there is an urge to share it with others. These feelings can be positive or negative. Thus, talking about the products gives them peace of mind and eases their anxiety. Consumers' get so much committed to a product that they want to share it with others. When consumers are anxious to find about a product, they do so by searching information about it and thus, get more involved and spend more of their energy and time on social networking sites <sup>2</sup>.

#### 2.2.7 Self Enhancement

Self enhancement is a self-esteem need. It is a common tendency among people to take all the credit for their successes while giving no credit to other individuals or factors. This is a very common phenomenon in social cognition. They just want an affirmation from others that they are the intelligent ones who have took the right decision either by buying or not buying a product which will result in recognition and increase in their status.<sup>3</sup> named this factor as Reputation and Berger, 2014 called it Impression Management.

<sup>1</sup> Hennig-Thurau, T., Gwinner, Kevin P., Walsh, G. & Gremler, D. (2004). Electronicword-of-mouth via consumer-opinion platforms: What motivates consumers toarticulate themselves on the internet? Journal of Interactive Marketing, 18 (1), 38-52. Doi: 10.1002/dir.10073

<sup>&</sup>lt;sup>2</sup> Alhidari, A., Iyer, P. & Paswan, A.(2015). Personal level antecedents ofeWOM and purchase intention, on socialnetworking sites. Journal of Customer Behaviour, 14 (2), 107-125

<sup>&</sup>lt;sup>3</sup> Cheung, C.M.K. & Lee, M.K.O. (2012). What drives consumers to spread electronic word of mouth in online consumer-opinion platforms. Decision Support Systems, 53,218 – 225

#### 2.2.8 Risk-taking

Social networking sites are not only about involvement with known but it is also about getting to know unknown. This is only possible when one is open and willing to take chances and try out something new who in other terms are known as risk-takers. Three types of risk-takers can be identified from the literature and they are innovators opinion leaders and market mavens. These all the three are the ones who will respond to the messages whether received from unknown sources. They will always be ready to take risk and freely express their opinions. For marketers, they are the kind of persons who will be willing to share information and will be the first in the lot to try something new<sup>1</sup>.

#### 2.2.9 Social Benefits

By social benefits here we mean, the social needs of an individual, the need to interact socially with other people and this need is very well fulfilled by the social networking sites. So, consumers engage in eWOM communication to get social benefits i.e. they feel connected with a large group of people which satisfies their affiliation needs. By engaging in eWOM communication or in other words, by sharing their knowledge and product information they tend to create bond with others and socialize with them. Also, through this they can easily blend and integrate with them<sup>2</sup>. Named this factor as Social Bonding in which he highlighted that it helps in reinforcing the shared views (creating strong bonds with someone who has same opinion as the other) and reducing the loneliness or the boredom people often face in their life.

#### 2.2.10 Tie Strength

Tie strength means building strong relationships with the people we already know. In our busy lives, we seldom lose contact with the people we know. Giving, passing and sharing information helps in getting and maintaining bond with them. Tie strength has been explained as strong ties and weak ties. Strong ties are with families and close friends whereas weak ties are with acquaintances and colleagues with whom we are not in close touch. At micro level, stronger ties have significant influence in eWOM communication and at macro level; weak ties act as a bridge between the people and allow information sharing amongst a vast number

<sup>&</sup>lt;sup>1</sup> Ibid

<sup>&</sup>lt;sup>2</sup> Hennig-Thurau, T., Gwinner, Kevin P., Walsh, G. & Gremler, D. (2004). Electronicword-of-mouth via consumer-opinion platforms: What motivates consumers toarticulate themselves on the internet? Journal of Interactive Marketing, 18 (1), 38-52. Doi: 10.1002/dir.10073

of people<sup>1</sup>. The only study which negatively related tie strength with consumer engagement in eWOM is of which can also be possible due to its being tested only in case of game playing on social networking sites.

#### 2.2.11 Economic Incentives

Users of social networking sites not only get social benefits but they sometimes get certain economic incentives too. These economic incentives are only possible in case of virtual networks. With a hope to get economic incentives for example, discounts on spreading positive eWOM, rebates or wining contests, etc motivates consumers to participate in eWOM communications. This was found to be the second important motivator.<sup>2</sup>

#### 2.2.12 Perceived Usefulness

Usefulness also motivates consumers to engage in eWOM communication. If a consumer finds any product to be useful and can make their lives easy, then they feel everybody should know about it. In online environment, it is easy to let others know about such kinds of products. The motive behind doing so is collectivism i.e. everybody should derive benefit from what is good<sup>3</sup>.

#### 2.2.13 Value Co-creation

It is a well- known fact that consumers believe what other consumers say about a product rather than what marketers say. So, in order to help the company especially when the consumers are satisfied with the product experience, they engage in eWOM communication. They also do so because they want to get the same benefits over the coming years. This will only happen if the company is profitable. They also tell companies that what is expected out of them by the consumers. Thus, value co-creation or in other words, helping the company is the motive for the consumers to engage in eWOM communication. Slowly, these consumers become partners and help company in creating value <sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Alexandru, B. (2010). The art andscience of word-of-mouth and electronicword-of-mouth. Fascicle of Managementand Technological Engineering, IX (XIX),4.7-4.16. Retrieved

fromhttp://imtuoradea.ro/auo.fmte/files-2010-v1/MANAGEMENT/Bajenaru%20Alexandr u%20L1.pdf

<sup>&</sup>lt;sup>2</sup> Hennig-Thurau, T., Gwinner, Kevin P., Walsh, G. & Gremler, D. (2004). Electronicword-of-mouth via consumer-opinion platforms: What motivates consumers toarticulate themselves on the internet? Journal of Interactive Marketing, 18 (1), 38-52. Doi: 10.1002/dir.10073

<sup>&</sup>lt;sup>3</sup> Idem

<sup>&</sup>lt;sup>4</sup> Cheung, C.M.K. & Lee, M.K.O. (2012). What drives consumers to spread electronicword of mouth in online consumer-opinion platforms. Decision Support Systems, 53,218 – 225

#### **2.2.14** Customer Empowerment

eWOM is a user-generated content and to feel empowered, consumers use their knowledge and skills to give insight and provide feedback about the products. This is mostly used in case of negative comments because consumers vent their negative feelings through this. Dell Hell is an example of this, when a dissatisfied customer posted his aggression in a blog post and all the dissatisfied customers joined by him and shared their not good experiences. Bergerexplained this factor in his study under Emotion Regulation in which he further explained that customers regulate their emotions in six different ways and two out of them are apt here and they are venting (sharing negative experiences to let go the anger) and taking vengeance (punishing the person responsible for one's bad experience), (Hennig-Thurau et al.¹; Alexandru,².

## 2.2.15 Reciprocity

People engage in eWOM communication Social networking sites because they expect that giving information now wll result in reciprocal behaviour from others in future. As in our daily routine lives when we take a favour from somebody we expect to return it. People engaged in online communication also feel the same obligation and thus, it results in information exchange among them and therefore, being related with eWOM<sup>3</sup>. However, reciprocity is not a strong determinant for consumers which motivate them to engage in eWOM communication. This factor was considered more valid in case of traditional WOM as their was face- to-face interaction and thus, the people used to feel obligated but in case of social networking sites, people feel no more burdened because of their virtual interaction<sup>4</sup>

<sup>1</sup> 

<sup>&</sup>lt;sup>1</sup> Hennig-Thurau, T., Gwinner, Kevin P., Walsh, G. & Gremler, D. (2004). Electronicword-of-mouth via consumer-opinion platforms: What motivates consumers toarticulate themselves on the internet? Journal of Interactive Marketing, 18 (1), 38-52. Doi: 10.1002/dir.10073

<sup>&</sup>lt;sup>2</sup> Ibid

<sup>&</sup>lt;sup>3</sup> Idem

<sup>&</sup>lt;sup>4</sup> Wasko, M.M. & Faraj, S. (2005). Whyshould I share? Examining social capital andknowledge contribution in electronicnetworks of practice. MIS Quarterly, 29 (1),35-57.

### 2.3 The strategies for leveraging eWOM to guide online purchase decisions

#### Introduction

Electronic word-of-mouth (eWOM) is a powerful tool in the digital landscape, shaping consumer perceptions and influencing purchase decisions. Businesses must adopt strategic approaches that align with the online decision-making process to effectively leverage eWOM. By understanding consumer stages and tailoring eWOM strategies, businesses can guide consumers through their journey, build trust, and drive favorable outcomes. Strategies include encouraging online reviews, engaging with influencers, responding to negative eWOM, leveraging user-generated content, tailoring strategies to decision-making stages, fostering online communities, and using targeted social media advertising. Implementing these strategies can enhance a business's online presence and gain a competitive edge.

### 2.3.1 Opinion Leaders and Influencers

**Utilizing Opinion Leaders and Influencers**: Opinion leaders and social media influencers wield substantial power in shaping consumer behavior due to their perceived expertise, authority, and large follower base. These individuals are trusted sources whose recommendations and reviews can significantly impact the purchasing decisions of their audience. Effective eWOM from influencers can enhance brand credibility and encourage consumer trust, particularly for experience-type products where personal endorsements carry considerable weight. Positive eWOM from these figures tends to be more persuasive, leading to higher purchase intentions. Studies indicate that the influence of opinion leaders is pronounced when the eWOM is positive and the product is an experiential good<sup>1</sup>

#### 2.3.2 Credibility and Source Trustworthiness

**Building Credibility**: The success of eWOM hinges on the credibility of its source. Consumers are more inclined to trust and act upon eWOM from sources they view as reliable and knowledgeable. Establishing this trust involves consistent and transparent communication, honesty in reviews, and a history of positive customer interactions. Credibility is influenced by several factors, including the reviewer's expertise, the thoroughness and quality of the review, and the platform on which the eWOM is shared.

<sup>&</sup>lt;sup>1</sup> <u>https://www.mdpi.com/2078-2489/12/5/192</u> [consulted 10/05/2024]

High-quality reviews from verified buyers or industry experts are particularly influential, as they provide detailed, reliable information that consumers can trust <sup>1</sup>

## 2.3.3 Engagement and Interaction

Encouraging Consumer Engagement: Active engagement with eWOM content amplifies its effectiveness. Brands can foster this engagement by encouraging consumers to leave reviews, participate in discussions, and share their experiences on social media. Interactive elements such as polls, Q&A sessions, and user-generated content campaigns not only boost engagement but also build a community around the product or brand. This sense of community increases the perceived value and trustworthiness of the eWOM, as consumers are more likely to trust recommendations from fellow community members. Engaged communities tend to produce more positive eWOM, which in turn fosters greater brand loyalty and advocacy <sup>2</sup>

#### 2.3.4 Targeted and Relevant Content

**Personalized eWOM Strategies**: Tailoring eWOM content to specific audience segments enhances its relevance and effectiveness. Understanding the preferences, behaviors, and demographics of different consumer groups allows brands to create personalized and impactful eWOM strategies. This can be achieved through data analytics, which helps in identifying consumer trends and preferences. Personalized eWOM resonates more with target audiences, making it more likely to influence their purchase decisions. For instance, eWOM that highlights specific features and benefits of a product that appeal to a particular demographic can significantly boost its effectiveness <sup>3</sup>

<sup>&</sup>lt;sup>1</sup> https://www.mdpi.com/0718-1876/16/4/43 Consulted 10/05/2024

<sup>&</sup>lt;sup>2</sup> Idem

<sup>&</sup>lt;sup>3</sup> Idem

#### 2.3.5 Visual and Multimedia Elements

Enhancing eWOM with Visual Content: Incorporating visual elements such as images, videos, and infographics can greatly enhance the persuasiveness of eWOM. Visual content is more engaging and can effectively capture the attention of potential customers. Platforms like Instagram, YouTube, and TikTok are particularly well-suited for visual eWOM, as they allow for creative and compelling presentations of product features and benefits. Visual eWOM not only attracts more viewers but also provides a richer and more immersive experience, making it easier for consumers to understand and appreciate the product, which can lead to higher engagement and purchase intentions<sup>1</sup>

## 2.3.6 Managing Negative eWOM

Proactive Management of Negative eWOM: Addressing negative eWOM promptly and effectively is crucial for maintaining a positive brand image. Companies should monitor online reviews and social media comments to quickly respond to customer concerns and provide solutions. Demonstrating a commitment to resolving issues publicly can turn negative experiences into positive ones, showcasing the brand's dedication to customer satisfaction. This proactive approach not only mitigates the impact of negative reviews but also builds trust and credibility with other consumers who witness the brand's responsiveness and problemsolving capabilities <sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Ibid

<sup>&</sup>lt;sup>2</sup> https://www.mdpi.com/2078-2489/12/5/192 [Consulted 10/5/2024]

# Section 03: the relationship between eWOM and the online purchase decision

#### Introduction

The rise of electronic word-of-mouth (eWOM) has profoundly impacted how consumers make purchase decisions in the digital age. eWOM refers to the exchange of product or service information and opinions among consumers through online channels like social media, review sites, and forums. This online form of word-of-mouth has become a critical source of information for consumers during various stages of the decision-making process.

At the information search and alternative evaluation phases, consumers heavily rely on eWOM to gather insights, compare options, and mitigate perceived risks. Positive eWOM can significantly influence attitudes, build trust, and increase purchase intentions, while negative eWOM can dissuade consumers from considering certain products or brands. Furthermore, post-purchase experiences shared through eWOM shape future consumers' decisions, creating an ongoing cycle.

Understanding the nuanced relationship between eWOM and consumer decision-making is crucial for businesses to adapt their strategies effectively. Factors such as source credibility, product characteristics, consumer involvement, and situational variables moderate and mediate this relationship. This study aims to provide a comprehensive understanding of the underlying mechanisms, moderating variables, and emerging trends shaping the eWOM-decision-making nexus, offering valuable insights for enhancing customer engagement and decision-making strategies in the digital realm.

#### 3.1 The Mediating Role of eWOM in Shaping Purchase Intentions

Electronic word-of-mouth (eWOM) has emerged as a powerful force shaping consumer attitudes and purchase decisions in the modern digital landscape. With the rise of the internet and social media platforms, consumers increasingly rely on online reviews, ratings, and comments to make informed decisions about products and services. eWOM differs from traditional word-of-mouth as it has a broader reach and faster dissemination, significantly impacting consumer behavior. This essay explores the antecedents of eWOM, including product quality, brand reputation, and social influence, and how these factors interact to mediate purchase intentions.

## 3.1.1 Product Quality and eWOM

One of the key antecedents of eWOM is product quality. Consumers are more likely to engage in positive eWOM when they perceive a product or service to be of high quality and meet their expectations. High product quality not only satisfies consumers but also exceeds their expectations, prompting them to share their positive experiences online. Conversely, negative experiences with product quality can lead to unfavorable eWOM, significantly impacting a brand's reputation and sales. Ladhari and Michaud (2015) found that eWOM influenced hotel booking intentions, with positive eWOM enhancing perceptions of website trustworthiness and attitudes toward the hotel, ultimately increasing booking intentions (Ladhari & Michaud, 2015). This study highlights the importance of maintaining high product quality to foster positive eWOM and drive purchase intentions<sup>1</sup>.

## 3.1.2 Brand Reputation and eWOM

Brand reputation is another critical factor that shapes eWOM. Consumers tend to trust and rely more on eWOM for well-established brands with a strong reputation. A positive brand image can amplify the impact of favorable eWOM, while a negative brand reputation can exacerbate the effects of unfavorable eWOM. Jalilvand and Samiei (2012) demonstrated that eWOM significantly influenced brand image and purchase intention in the automobile industry in Iran, highlighting the importance of managing brand reputation in the context of eWOM (Jalilvand & Samiei, 2012). This underscores the need for companies to actively manage their brand image to ensure positive eWOM and enhance consumer purchase intentions<sup>2</sup>

#### 3.1.3 Social Influence and eWOM

Social influence also plays a vital role in the generation and propagation of eWOM. Consumers are influenced by the opinions and recommendations of their peers, family, and social networks. Positive eWOM from trusted sources can significantly impact purchase intentions, while negative eWOM can dissuade consumers from considering a product or

<sup>1</sup> Ladhari, R., & Michaud, M. (2015). "eWOM effects on hotel booking intentions, attitudes, trust, and website perceptions." International Journal of Hospitality Management, 46, 36-45. DOI:10.1016/j.ijhm.2015.01.010

<sup>&</sup>lt;sup>2</sup> Jalilvand, M. R., & Samiei, N. (2012). "The impact of electronic word of mouth on a tourism destination choice: Testing the theory of planned behavior (TPB)." *Internet Research*, 22(5), 591-612. DOI:10.1108/10662241211271563

service. Identified social benefits, such as enhancing one's social status or developing relationships, as motivations for engaging in eWOM, underscoring the influence of social factors on eWOM behavior. This highlights the importance of social networks in spreading eWOM and shaping consumer purchase decisions<sup>1</sup>.

## 3.1.4 Business Strategies to Leverage eWOM

It is essential for businesses and marketers to recognize and address these antecedents proactively. Maintaining high product quality, cultivating a positive brand reputation, and fostering strong customer relationships are critical strategies for encouraging favorable eWOM. Additionally, monitoring and responding to eWOM across various digital platforms can help businesses understand consumer sentiments, address concerns, and leverage positive eWOM to their advantage. Effective eWOM management involves not only encouraging positive reviews but also addressing negative feedback constructively to maintain a positive brand image. Companies can implement loyalty programs, engage with customers on social media, and offer incentives for reviews to stimulate positive eWOM<sup>2</sup>.

#### 3.1.5 Interaction of Antecedents and eWOM

The interplay between these antecedents and eWOM is complex and multifaceted. Product quality, brand reputation, and social influence can interact and reinforce each other, creating a synergistic effect on eWOM and consumer decision-making processes. For example, a high-quality product from a reputable brand recommended by a trusted social contact is likely to have a strong positive impact on eWOM and purchase intentions. This interaction underscores the importance of a holistic approach to managing eWOM by addressing multiple antecedents simultaneously. Effective management of these factors can lead to a more consistent and influential eWOM, enhancing overall consumer perceptions and driving sales. Studies have shown that positive eWOM enhances perceptions of website trustworthiness and attitudes<sup>3</sup>,

<sup>&</sup>lt;sup>1</sup>Hennig-Thurau, T., Gwinner, K. P., Walsh, G., & Gremler, D. D. (2004). "Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the internet?" *Journal of Interactive Marketing*, 18(1), 38-52. DOI:10.1002/dir.10073

<sup>&</sup>lt;sup>2</sup> Chu, S. C., & Kim, Y. (2011). "Determinants of consumer engagement in electronic word-of-mouth (eWOM) in social networking sites." International Journal of Advertising, 30(1), 47-75. DOI:10.2501/IJA-30-1-047-075 

<sup>3</sup> Ladhari, R., & Michaud, M. (2015). "eWOM effects on hotel booking intentions, attitudes, trust, and website perceptions." International Journal of Hospitality Management, 46, 36-45. DOI:10.1016/j.ijhm.2015.01.010

while brand image significantly influences purchase intention<sup>1</sup>. Additionally, social benefits motivate consumers to engage in eWOM<sup>2</sup>, highlighting the interconnectedness of these factors.

In conclusion, the relationship between product quality, brand reputation, social influence, and eWOM is intricate and multidimensional. By understanding and effectively managing these antecedents, businesses can harness the power of eWOM to enhance their brand image, build customer trust, and ultimately drive purchase intentions and customer loyalty in the digital age. This comprehensive approach to eWOM management can lead to sustained competitive advantage and improved business performance. Businesses that successfully leverage eWOM can expect not only increased sales but also stronger customer relationships and a more robust brand reputation.

## 3.2 eWOM Credibility and its Impact on Consumer Trust and Purchase Decisions Introduction

In today's digital age, electronic word-of-mouth (eWOM) has emerged as a powerful force shaping consumer behavior. As more consumers turn to online reviews, recommendations, and social media discussions to inform their purchase decisions, the credibility of eWOM has become a crucial factor. The perceived credibility of eWOM messages can significantly influence consumer trust in a product or service, ultimately impacting their purchase intentions and decisions.

This study aims to explore the intricate relationships between eWOM credibility, consumer trust, and purchase behavior. By examining the factors that contribute to the perceived credibility of eWOM, such as source expertise, source trustworthiness, and message quality, this research seeks to unravel the underlying dynamics that shape consumer perceptions and decision-making processes.

Understanding the impact of eWOM credibility on consumer trust is of paramount importance, as trust acts as a critical mediator in the path from information exposure to actual

<sup>2</sup> Hennig-Thurau, T., Gwinner, K. P., Walsh, G., & Gremler, D. D. (2004). "Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the internet?" Journal of Interactive Marketing, 18(1), 38-52. DOI:10.1002/dir.10073

<sup>&</sup>lt;sup>1</sup> Jalilvand, M. R., & Samiei, N. (2012). "The impact of electronic word of mouth on a tourism destination choice: Testing the theory of planned behavior (TPB)." Internet Research, 22(5), 591-612. DOI:10.1108/10662241211271563

purchase decisions. This study will shed light on how the credibility of eWOM messages influences consumers' trust in a product or service, and the subsequent effect on their purchase intentions and behaviors.

Moreover, this research will investigate potential moderating variables that may influence the strength of these relationships, providing valuable insights for businesses and marketers seeking to leverage the power of eWOM effectively while maintaining consumer trust and driving favorable purchase outcomes.

#### 3.2.1 The factors that contribute to the perceived credibility of eWOM

#### Introduction

In today's digital age, electronic word-of-mouth (eWOM) has become a pivotal component of consumer decision-making processes. Unlike traditional word-of-mouth, eWOM extends its reach through various online platforms, making it a powerful tool for influencing potential customers. However, the effectiveness of eWOM heavily depends on its perceived credibility. Understanding the factors that contribute to this credibility is essential for businesses, marketers, and consumers alike.

Several key factors determine the perceived credibility of eWOM, encompassing aspects related to the content of the message, the communicator who delivers it, the context in which it is shared, and the individual characteristics of the consumer receiving it. Each of these factors plays a distinct role in shaping how eWOM is perceived and trusted by audiences.

Content quality, including the detail, accuracy, and timeliness of information, significantly impacts credibility. The attributes of the communicator, such as their expertise, trustworthiness, and attractiveness, also influence how credible their messages are perceived to be. Additionally, the context or platform where eWOM is shared, including its reputation and transparency, can enhance or diminish perceived trustworthiness. Lastly, consumer characteristics, including their prior experience, level of involvement, and general trust in online information, are crucial in determining how they perceive eWOM credibility.

Exploring these factors in depth provides valuable insights into the dynamics of eWOM and highlights strategies to enhance its effectiveness as a marketing tool.

## 3.2.1.1 Content Quality

The quality and relevance of the information in electronic word-of-mouth (eWOM) are critical factors in determining its perceived credibility. High-quality content typically includes detailed, accurate, and comprehensive information that provides value to the reader<sup>1</sup>. For instance, reviews that elaborate on specific features, pros, and cons of a product are often deemed more trustworthy than vague or overly generic comments. Additionally, timeliness plays a role; recent reviews are generally perceived as more relevant and credible compared to older ones, as they are more likely to reflect the current state of the product or service. The presence of visual aids, such as photos or videos, can further enhance the credibility of eWOM by providing tangible evidence to support the claims made in the text <sup>2</sup>

#### Detail and Accuracy:

The perceived credibility of eWOM is significantly influenced by the level of detail and accuracy in the content. Reviews that provide specific details about a product's features, performance, and any issues encountered are generally more trusted. For instance, a review that mentions the exact battery life of a smartphone, its camera quality under different lighting conditions, and any software bugs will be seen as more credible compared to a vague comment like "good phone" or "bad quality" <sup>3</sup>

Accurate information, especially when it aligns with the experiences of other users, helps to build trust in the review and the reviewer.

#### Timeliness:

Timeliness refers to how recent the review or recommendation is. Recent reviews are often perceived as more relevant and credible because they are more likely to reflect the current state of the product or service. Outdated reviews may not account for recent updates, improvements, or deteriorations in the product, thereby reducing their credibility. Consumers

[Consulted 12/05/2024]

<sup>&</sup>lt;sup>1</sup> https://www.sciencegate.app/document/10.1108/oir-06-2020-0263 [Consulted 12/05/2024]

<sup>&</sup>lt;sup>2</sup>https://www.jstor.org/stable/27751305#:~:text=URL%3A%20https%3A%2F%2Fwww.jstor. org%2Fstable%2F27751305%0A%5BImage%200%5D%0AVisible%3A%200%25%20,100

<sup>&</sup>lt;sup>3</sup> Idem

tend to look for the latest information to ensure that they are making informed decisions based on the most current data available <sup>1</sup>

#### Visual Evidence:

Including visual evidence such as photos or videos can greatly enhance the credibility of eWOM. Visuals provide tangible proof that supports the claims made in the text. For example, a photo showing the actual condition of a product can validate a user's comment about its durability or aesthetic appeal. Videos demonstrating the functionality of a product can similarly substantiate the reviewer's claims, making the review more believable and trustworthy <sup>2</sup>

#### 3.2.1.2 Communicator Attributes

The characteristics of the person or entity delivering the eWOM significantly influence its credibility. Factors such as expertise, trustworthiness, and attractiveness are key. An individual who is perceived as an expert in the relevant field, such as a tech blogger reviewing electronic gadgets, is likely to be considered more credible. Trustworthiness encompasses the honesty and reliability of the communicator; eWOM from someone with a history of providing balanced and truthful reviews tends to be more trusted. Attractiveness, which includes likeability and relatability, also affects credibility; consumers are more likely to trust recommendations from someone they feel a connection with, such as a popular influencer or a friend<sup>3</sup>

## Source Expertise:

Source expertise plays a pivotal role in determining the credibility of eWOM messages. Consumers tend to place greater trust and confidence in reviews or recommendations provided by sources that are perceived as knowledgeable, skilled, or experienced in the relevant domain (Cheung et al., 2007; Filieri, 2015). The expertise of the source can be established through various cues, such as their professional credentials, industry affiliations, or demonstrated track record of providing insightful and accurate information.

<sup>2</sup> https://www.sciencegate.app/document/10.1108/oir-06-2020-0263 [Consulted 11/05/2024]

<sup>1</sup> Ibid

<sup>&</sup>lt;sup>3</sup> Idem

For instance, a review of a technical product from an engineer or a technology enthusiast with a deep understanding of the product's specifications and features is likely to be perceived as more credible than a review from a casual user with limited knowledge. Similarly, a restaurant recommendation from a food critic or a culinary expert is often viewed as more credible than one from an average diner.<sup>1</sup>

However, it is important to note that source expertise is not a binary concept; it exists on a continuum, and consumers may weigh the level of expertise differently depending on the product category or their personal involvement with the product (Luo et al., 2014). For highly complex or specialized products, consumers may place greater emphasis on source expertise, while for more mainstream or familiar products, other factors like trustworthiness or message quality may take precedence.<sup>2</sup>

## **Trustworthiness:**

Trustworthiness refers to the perceived honesty and reliability of the reviewer. eWOM from individuals who have a history of providing balanced and truthful reviews is generally more trusted. Consumers are more likely to believe reviews that appear impartial and are not overly biased towards either extreme (i.e., excessively positive or negative). Reviewers who disclose any potential conflicts of interest, such as receiving a free product for review, also tend to be seen as more trustworthy <sup>3</sup>

#### Attractiveness:

Attractiveness in this context encompasses likeability and relatability. Consumers are more inclined to trust eWOM from individuals they find relatable or likeable, such as a popular influencer or a friend. This includes not only physical attractiveness but also personality traits,

<sup>&</sup>lt;sup>1</sup> https://essay.utwente.nl/70859/1/Pham\_MA\_BMS.pdf [Consulted 11/05/2024]

<sup>&</sup>lt;sup>2</sup> Idem

<sup>&</sup>lt;sup>3</sup>https://www.jstor.org/stable/27751305#:~:text=URL%3A%20https%3A%2F%2Fwww.jstor.org%2Fstable%2F27751305%0A%5BImage%200%5D%0AVisible%3A%200%25%20,100

such as friendliness and approachability, which make the reviewer seem more genuine and trustworthy 1

## **Homophily:**

Homophily, or the tendency of individuals to associate and bond with similar others, also plays a significant role in eWOM credibility. Consumers are more likely to trust and relate to reviews from individuals who share similar demographics, interests, or values. For example, a young adult might find reviews from peers within the same age group more credible than those from an older demographic. This perceived similarity fosters a sense of trust and relatability, enhancing the credibility of the eWOM <sup>2</sup>

#### Authority:

The authority of the source, such as their position or reputation in the field, can also impact the perceived credibility of eWOM. For example, a review from a well-known expert in the field would likely be considered more credible than a review from an unknown individual<sup>3</sup>

#### 3.2.1.3 Contextual Factors

The platform or context where eWOM is shared also matters significantly. Reviews and recommendations on reputable websites, well-known e-commerce platforms, or trusted social media channels are generally seen as more credible. The design and functionality of the platform can enhance this perception; for example, websites with features like verified purchases, where only customers who have actually bought the product can leave reviews, tend to be trusted more. Additionally, platforms that allow for detailed reviewer profiles, ratings, and the ability to follow up on reviews (e.g., comment sections) provide a sense of transparency and community engagement, further boosting credibility <sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Ibid

<sup>&</sup>lt;sup>2</sup> https://core.ac.uk/download/pdf/304335594.pdf [Consulted 11/05/2024]

http://gatrenterprise.com/GATRJournals/GJBSSR/pdf files/GJBSSRVo17%283%292019/1.Yeshika %20Alversia.pdf [Consulted 11/05/2024]

<sup>4</sup> https://www.sciencegate.app/document/10.1108/oir-06-2020-0263 [Consulted 11/05/2024]

### Platform Reputation

The platform on which the eWOM is shared can significantly influence its perceived credibility. Reviews and recommendations on reputable websites, well-known e-commerce platforms, or trusted social media channels are generally seen as more credible. Platforms that have mechanisms to ensure the authenticity of reviews, such as verified purchases or user authentication, can further enhance credibility<sup>1</sup>

## **Transparency and Impartiality:**

Platforms that promote transparency and impartiality in their review processes are more likely to host credible eWOM. Features such as detailed reviewer profiles, the ability to comment on reviews, and the presence of both positive and negative reviews contribute to a sense of transparency. Platforms that are perceived as impartial and not overly commercialized tend to foster more trust among users<sup>2</sup>

#### **Community Engagement:**

The level of community engagement on the platform can also affect the credibility of eWOM. Platforms that encourage interaction between users, such as through comments or discussion forums, allow for the verification of information and provide a broader context for reviews. This engagement helps build a community of trust where users can rely on each other's experiences and insights<sup>3</sup>

#### 3.2.1.4Consumer Characteristics

Individual consumer characteristics, including their prior experience, involvement level, and general tendency to trust online information, play a significant role in the perceived credibility of eWOM. Consumers who have a higher level of involvement with the product category (i.e.,

#### [Consulted 16/05/2024]

<sup>&</sup>lt;sup>1</sup>https://www.researchgate.net/publication/344236435 Platform Reputation Effects in Lenders' Decisions to Invest\_in\_Peer-to-Peer\_Lending\_in\_Indonesia [consulted 16/05/2024]

<sup>&</sup>lt;sup>2</sup>https://www.jstor.org/stable/27751305#:~:text=URL%3A%20https%3A%2F%2Fwww.jstor. org%2Fstable%2F27751305%0A%5BImage%200%5D%0AVisible%3A%200%25%20,100

 $<sup>^{3} \ \</sup>underline{https://aese.psu.edu/research/centers/cecd/engagement-toolbox/engagement/what-is-community-engagement} \\ [Consulted 16/05/2024]$ 

they are knowledgeable or have a strong interest in it) are more likely to scrutinize reviews carefully and discern credible ones. Personal experience with the product or similar products also informs their perception; if their past experiences align with the reviews, they are more likely to trust them. Additionally, individual predispositions towards trusting online information, shaped by factors such as age, education level, and cultural background, can influence how credible they find eWOM to be.<sup>1</sup>

## Involvement Level

The level of involvement a consumer has with the product category also plays a role. Highly involved consumers, who are deeply interested and invested in a product category, are more likely to scrutinize reviews carefully. They tend to look for specific details and evidence that support the reviewer's claims, making them more critical and discerning in their assessment of eWOM credibility<sup>2</sup>

#### Trust in Online Information

Individual predispositions towards trusting online information vary and can significantly influence how credible they find eWOM. Factors such as age, education level, and cultural background can affect a consumer's general tendency to trust or distrust online reviews. For example, younger consumers who are more accustomed to digital environments may be more inclined to trust eWOM compared to older consumers who might be more skeptical<sup>3</sup>

#### 3.2.2 The Role of eWOM in Building Consumer Trust

#### Introduction

In the contemporary digital landscape, electronic word-of-mouth (eWOM) has become a pivotal element in shaping consumer trust and influencing purchasing decisions. Unlike traditional word-of-mouth, eWOM encompasses a broad array of online platforms where consumers share their experiences, opinions, and recommendations. This digital form of communication plays a crucial role in how consumers perceive and trust products and

 $<sup>^{1} \</sup>underline{\text{https://lup.lub.lu.se/luur/download?func=downloadFile\&recordOId=2167681\&fileOId=2435901} \ [\textbf{Consulted 18/05/2024}]$ 

<sup>&</sup>lt;sup>2</sup> <u>https://www.igi-global.com/dictionary/technology-is-transforming-shopping-behavior/55106</u> [Consulted 18/05/2024]

<sup>&</sup>lt;sup>3</sup> Rowley, Jennifer, and Frances Johnson. "Understanding Trust Formation in Digital Information Sources: The Case of Wikipedia." Journal of Information Science, vol. 39, no. 4, 6 Mar. 2013, pp. 494–508, https://doi.org/10.1177/0165551513477820. Accessed 19 Nov. 2019.

services. This section explores the mechanisms through which eWOM builds consumer trust, supported by academic literature.

#### 3.2.2.1 Mechanisms of Trust Building through eWOM

## 1. Reducing Perceived Risk

One of the primary ways eWOM builds consumer trust is by reducing the perceived risk associated with purchasing decisions. In online shopping environments, where direct product examination is not possible, consumers often rely on the experiences of others to gauge product quality and performance. When consumers read positive reviews from multiple sources, their perceived risk diminishes, leading to higher trust in the product or service.<sup>1</sup>

eWOM serves as a crucial risk-reducing tool in e-commerce by providing credible information that helps consumers make informed decisions. The collective opinions and experiences of other users offer reassurance to potential buyers, helping them feel more confident in their purchasing decisions. This aspect is particularly important in online settings where consumers cannot physically inspect products before purchase, increasing their reliance on peer reviews to mitigate uncertainties<sup>2</sup>

By accessing multiple reviews, consumers can compare different viewpoints and experiences, which helps them to form a balanced opinion. This comparison reduces the ambiguity and potential risk associated with buying a product they have not physically seen or tested. Positive eWOM, especially when it is consistent across multiple reviews, provides a form of social proof that reduces the perceived risk.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> Gharib, Rebwar Kamal, et al. "Trust and Reciprocity Effect on Electronic Word-of-Mouth in Online Review Communities." Journal of Enterprise Information Management, vol. 33, no. 1, 13 Nov. 2019, pp. 120–138, https://doi.org/10.1108/jeim-03-2019-0079. Accessed 29 Aug. 2020.

https://www.sciencedirect.com/science/article/abs/pii/S0167923607001005 [Consulted 19/05/2024]

<sup>&</sup>lt;sup>3</sup> Idem

## 2. Enhancing Perceived Value

Credible eWOM can significantly enhance the perceived value of a product or service. When consumers encounter detailed and positive reviews, they are more likely to believe in the product's value proposition. Reviews that highlight specific benefits and positive experiences contribute to a stronger perception of the product's worthiness.

eWOM not only provides information but also reinforces the perceived benefits and quality of a product. This enhanced perception of value is crucial for building consumer trust, as it reassures potential buyers of the product's worthiness. For instance, a detailed review of a smartphone that elaborates on its battery life, camera quality, and user interface can significantly elevate its perceived value in the eyes of potential buyers, fostering trust in the product.<sup>1</sup>

When reviews provide in-depth analysis and personal anecdotes that highlight the unique features and advantages of a product, they add significant value to the information available to consumers. This depth of information helps consumers feel more knowledgeable and confident about their purchase decisions. Furthermore, when reviews address potential concerns or drawbacks in a balanced manner, it adds to the credibility and overall perceived value of the product.<sup>2</sup>

## 3. Facilitating Informational Social Influence

eWOM also plays a significant role in facilitating informational social influence, which occurs when consumers seek information from others to form their own opinions. This is especially important in the context of high-involvement purchases, where consumers spend more time and effort gathering information before making a decision.<sup>3</sup>

eWOM platforms allow consumers to share detailed experiences and knowledge, which other consumers can use to guide their own purchasing decisions. This peer-generated content is often viewed as more trustworthy than traditional advertising, thus significantly influencing consumer trust. Consumers perceive reviews and recommendations from other users as more

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<sup>&</sup>lt;sup>1</sup> https://papers.ssrn.com/sol3/papers.cfm?abstract\_id=2742334 [Consulted 11/05/2024]

<sup>&</sup>lt;sup>2</sup> Idem

<sup>&</sup>lt;sup>3</sup> Lee, Matthew K.O., et al. "Consumer's Decision to Shop Online: The Moderating Role of Positive Informational Social Influence." Information & Management, vol. 48, no. 6, Aug. 2011, pp. 185–191, https://doi.org/10.1016/j.im.2010.08.005.

authentic and relatable, which enhances their trust in the information provided. This is particularly true when consumers face a choice between similar products and seek advice from others who have already made the purchase.<sup>1</sup>

Informational social influence is powerful because it leverages the collective intelligence and experiences of a community of users. When consumers see that others with similar needs and preferences have had positive experiences with a product, they are more likely to trust that product will meet their own expectations. This form of social validation is particularly influential in environments where consumers cannot directly interact with the product before purchasing.<sup>2</sup>

## 4. Building Brand Image

Positive eWOM contributes to building a favorable brand image, which is a crucial component of consumer trust. When consumers consistently encounter positive reviews and recommendations, their perception of the brand improves, fostering trust and loyalty.

A strong brand image built through positive eWOM encourages consumers to trust the brand and its offerings. This trust is crucial for long-term customer relationships and brand loyalty. When a brand has a positive reputation supported by numerous satisfied customers, it becomes easier for potential buyers to place their trust in the brand. This can lead to increased customer retention and advocacy, as satisfied customers are more likely to recommend the brand to others, further amplifying positive eWOM.<sup>3</sup>

Brand image is enhanced when eWOM reflects consistent quality and positive customer experiences. This consistency in positive feedback helps solidify the brand's reputation in the minds of consumers. Over time, a strong brand image built through reliable eWOM can become a significant competitive advantage, attracting new customers and retaining existing ones.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Idem

<sup>&</sup>lt;sup>2</sup> https://www.sciencedirect.com/science/article/abs/pii/S1094996804700961 [Consulted 19/05/2024]

<sup>&</sup>lt;sup>3</sup> https://www.semanticscholar.org/paper/Using-Online-Conversations-to-Study-Word-of-Mouth-Godes-Mayzlin/9126e0f4244349c57a56686cbd7f5d6890f7982e [Consulted 19/05/2024]

<sup>&</sup>lt;sup>4</sup> Al, Hussam, and Shehnaz Tehseen. The Effect of Electronic Word-Of-Mouth (Ewom) on Brand Image and Purchase Intention: A Conceptual Paper.

#### **Conclusion**

The role of eWOM in building consumer trust is multifaceted and significant. By reducing perceived risks, enhancing perceived value, facilitating informational social influence, and building a favorable brand image, eWOM serves as a powerful tool in the digital marketplace. As consumers increasingly rely on online reviews and recommendations, understanding and leveraging eWOM becomes essential for fostering consumer trust and driving business success. Businesses that effectively manage eWOM can enhance their reputation, build stronger relationships with customers, and ultimately achieve greater success in the competitive market. The strategic implementation of eWOM practices can transform customer interactions and perceptions, establishing a solid foundation of trust and loyalty.

## 3.2.3 Understanding the Impact of Digital Recommendations on Consumer Trust

In the digital age, recommendations play a crucial role in shaping consumer behavior and trust. This article delves into how digital recommendations—whether for products, services, or content—impact consumer trust. It explores the factors that influence trust in these recommendations and the subsequent effects on consumer decision-making and loyalty. By understanding these dynamics, businesses can better leverage digital recommendations to build stronger relationships with their consumers and enhance their overall customer experience.

## 3.2.3.1 The Influence of Digital Recommendations

Digital recommendations are popular, appearing in various forms such as product suggestions, service reviews, and content recommendations on platforms like Amazon, Netflix, and Yelp. These recommendations often rely on complex algorithms and usergenerated content to tailor suggestions to individual preferences.

## 3.2.3.2Key Factors Influencing Trust:

**Source Credibility**: "who says it matters" We trust reviews from other people more than automated suggestions because we feel they are more real and honest. User-generated reviews are seen as more credible because they come from individuals who have personally

experienced the product or service. This personal touch makes the information more relatable and believable. When consumers see that others like them have had positive experiences, it boosts their confidence in the recommendation.<sup>1</sup>

**Transparency**: If we understand how a recommendation is made, we're more likely to trust it. Transparency about the recommendation process reassures consumers that there is no hidden agenda. When companies explain the criteria and algorithms behind their recommendations, it demystifies the process and makes it seem fair and unbiased. This openness can reduce skepticism and increase trust in the recommendations provided.<sup>2</sup>

**Personalization**: "Personal touch" Recommendations that fit our personal likes and needs are trusted more because they show that the system knows us. Personalized recommendations indicate that a company has invested in understanding its customers' preferences and behaviors. This customization can make consumers feel valued and understood, which in turn fosters trust. When recommendations resonate with personal tastes, they are perceived as more relevant and useful, enhancing the overall customer experience.<sup>3</sup>

**Social Proof**: "proof from others" When recommendations have high ratings or are liked by many, we trust them more. Social proof, such as ratings, reviews, and endorsements from other users, significantly influences trust. Seeing that a large number of people have had positive experiences with a product or service acts as a validation of its quality. This collective endorsement can be a powerful motivator, as it leverages the wisdom of the crowd to reassure individual consumers.<sup>4</sup>

<sup>1</sup>https://www.emerald.com/insight/content/doi/10.1108/14684521011099414/full/html [Consulted 19/05/2024]

<sup>&</sup>lt;sup>2</sup> https://www.emerald.com/insight/content/doi/10.1108/14684521011099414/full/html

<sup>&</sup>lt;sup>3</sup> Idem

<sup>&</sup>lt;sup>4</sup> Idem

## 3.3 Moderating Variables in the eWOM-Purchase Intention Relationship

#### Introduction

Electronic word-of-mouth (eWOM) has emerged as a potent force shaping consumer behavior in the digital age. As online reviews, recommendations, and social media discussions become increasingly influential, understanding the factors that moderate the relationship between eWOM and purchase intentions has become paramount for businesses and marketers.

While eWOM has been widely recognized as a powerful driver of consumer purchase intentions, the strength and nature of this relationship are not uniform across all contexts and consumer segments. Numerous studies have suggested that various individual, contextual, and situational factors can act as moderating variables, either amplifying or diminishing the impact of eWOM on consumers' purchase intentions.

Identifying and examining these moderating variables is crucial for gaining a more nuanced understanding of the eWOM-purchase intention relationship. By exploring factors such as consumer characteristics, product or service attributes, and situational influences, researchers can uncover the conditions under which eWOM exerts a stronger or weaker influence on consumers' willingness to make a purchase.

By exploring the moderating variables in the eWOM-purchase intention relationship, this study has the potential to contribute significantly to the growing body of knowledge in this domain. It can deepen our understanding of the nuances and complexities that govern consumer decision-making processes in the digital age, while simultaneously equipping businesses with valuable strategies to capitalize on the power of eWOM while navigating the moderating factors that may influence their target audiences.

## 3.3.1 Sources and Strength of eWOM

The efficacy of electronic word-of-mouth (eWOM) is significantly determined by its sources and the strength of the social ties from which it emanates. Weak ties, such as acquaintances or distant connections, typically facilitate a wider reach of eWOM but may lack the depth of trust associated with messages from strong ties, like close friends and family. Conversely, eWOM from strong ties tends to be more influential due to the trust and personal connections

inherent in these relationships, impacting consumer decisions more directly because of the perceived sincerity and relevance of the information.

The source of eWOM also plays a critical role. For example, peer recommendations are generally seen as reliable, particularly when the peers are perceived as knowledgeable or experienced. Celebrity endorsements, on the other hand, combine wide reach and high impact, often seen as a form of both weak and strong ties due to celebrities' perceived authority and the parasocial relationships fans develop with them. This duality can make celebrity eWOM particularly potent, as it is trusted by large audiences and can significantly sway consumer behaviors by associating products with well-known personalities who have high credibility.

The diversity of eWOM sources, ranging from user reviews on e-commerce platforms to influencer posts on social networks, offers different levels of credibility, reach, and influence, each affecting purchase intentions in unique ways. The strength and source of eWOM are thus crucial moderating variables that businesses and marketers must strategically manage to optimize their influence on consumer purchase decisions<sup>1</sup>

## 3.3.2 Impact of eWOM in Social Media

Social media platforms amplify the impact of eWOM by providing a dynamic and interactive environment where information is not only consumed but also shared, discussed, and modified. This interaction enhances the visibility and engagement around eWOM messages, making them more persuasive. Users are exposed to a rich variety of content formats—text, images, videos—which can help articulate a more compelling message about products or services. This multimodality of social media content ensures that eWOM can appeal to a broader sensory and emotional range, potentially increasing its effectiveness.

Moreover, the social nature of these platforms facilitates rapid dissemination of eWOM, turning personal opinions into viral content. The network effects inherent in social media ensure that eWOM can quickly reach vast audiences, transcending geographical and

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<sup>&</sup>lt;sup>1</sup> Nofal, Reema, et al. "The Effect of EWOM Source on Purchase Intention: The Moderation Role of Weak-Tie EWOM." Sustainability, vol. 14, no. 16, 11 Aug. 2022, p. 9959, https://doi.org/10.3390/su14169959.

demographic boundaries. This widespread reach, combined with the perceived personal touch of eWOM, can significantly enhance its impact on purchase intentions.<sup>1</sup>

Social media also introduces new dynamics in how eWOM influences consumer behavior, such as the role of algorithms in promoting certain content, the impact of social proof (e.g., likes, shares), and the authority of niche influencers who might hold sway over specific communities. Each of these factors can moderate the relationship between eWOM and purchase intentions, offering new opportunities and challenges for marketers aiming to leverage eWOM effectively<sup>2</sup>

#### 3.3.3 Theoretical Models in eWOM Research

Theoretical models such as the Information Adoption Model (IAM) and the Technology Acceptance Model (TAM) provide frameworks to dissect how eWOM influences consumer behaviors and decision-making processes. IAM integrates aspects of cognitive processing, highlighting how individuals engage with information either deeply or superficially, depending on the nature of the eWOM and the individual's involvement with the content. TAM adds to this by focusing on the perceived usefulness and ease of use of the technology through which eWOM is delivered, suggesting that the easier and more beneficial the technology is perceived to be, the more likely it is to be adopted and influence purchase intentions. These models are essential for understanding the nuances of how eWOM functions across different platforms and contexts, offering insights into the design of more effective digital marketing strategies that align with consumer expectations and behaviors<sup>3</sup>

#### 3.3.4 Moderating Factors in eWOM

Moderating factors such as perceived value and enjoyment play significant roles in determining the effectiveness of eWOM in influencing purchase intentions. Perceived value refers to the consumer's assessment of the benefits and costs associated with a product or

<sup>&</sup>lt;sup>1</sup> Rahaman, Md. Atikur, et al. "The Interplay between EWOM Information and Purchase Intention on Social Media: Through the Lens of IAM and TAM Theory." PLOS ONE, vol. 17, no. 9, 6 Sept. 2022, p. e0272926, https://doi.org/10.1371/journal.pone.0272926.

<sup>&</sup>lt;sup>2</sup> Idem

<sup>&</sup>lt;sup>3</sup>Idem

service, influenced by eWOM. Perceived enjoyment, particularly relevant in the context of digital interactions, relates to the pleasure derived from engaging with eWOM content. These factors can vary greatly among different consumer segments and product types, influencing the degree to which eWOM affects purchase decisions. For example, in high-involvement product purchases, such as electronics, detailed and informative eWOM from credible sources is likely to have a significant impact due to the high perceived value. In contrast, for impulse buys, the enjoyment derived from engaging with entertaining eWOM content may be a stronger influence. Understanding these moderating factors helps marketers fine-tune their eWOM strategies to align with csonsumer expectations and buying behaviors, maximizing the impact of their digital marketing efforts<sup>1</sup>

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<sup>&</sup>lt;sup>1</sup> Nofal, Reema, et al. "The Effect of EWOM Source on Purchase Intention: The Moderation Role of Weak-Tie EWOM." Sustainability, vol. 14, no. 16, 11 Aug. 2022, p. 9959, https://doi.org/10.3390/su14169959.

## **Conclusion**

In summary, electronic word-of-mouth (eWOM) has fundamentally transformed how consumers share and receive information about products and services in the digital age. Unlike traditional word-of-mouth, eWOM extends its reach globally and instantaneously, significantly influencing consumer purchasing decisions. This chapter has provided a comprehensive overview of eWOM, including its definition, types, and the various channels through which it operates.

We explored the key factors that enhance the credibility and influence of eWOM, such as the trustworthiness of the source, the quality of the content, and the platforms on which eWOM is shared. These elements are crucial for businesses looking to navigate the digital marketplace effectively and leverage eWOM to drive consumer engagement and sales.

The chapter also highlighted the strategic importance of fostering positive eWOM and managing negative feedback. By understanding and implementing effective eWOM strategies, businesses can build brand trust and influence online consumer behavior. As digital interactions continue to grow, the importance of eWOM in shaping market dynamics cannot be overstated. This foundational understanding sets the stage for the empirical analysis that follows in Chapter 2, where we will delve deeper into the impact of eWOM on online purchasing intentions through a detailed empirical study.

Chapter 2: Empirical study: Electronic word of mouth and its impact on online customer's purchasing intentions.

## Introduction

This chapter delves into the empirical aspects of how electronic word-of-mouth (eWOM) influences online customer purchasing intentions. We begin by providing an overview of the catering service industry, which serves as the context for our study.

Next, we outline the methodology used in our research, detailing the design and distribution of a questionnaire to gather consumer insights. We discuss the data collection process, the characteristics of our sample, and the analytical techniques employed.

The chapter then presents our findings, focusing on how factors like source credibility, content quality, and review frequency impact consumer trust and purchasing decisions. By analyzing the data, we aim to validate our hypotheses on eWOM's influence.

Finally, we offer practical recommendations for businesses to leverage eWOM effectively, emphasizing the importance of positive eWOM and managing negative feedback. This chapter aims to provide actionable insights for enhancing digital marketing strategies and driving consumer engagement

Section one: General information on the catering service

1 Definition of certain concepts

1.1 Food-Away-From-Home (FAFH)

Is an economic sector encompassing all forms of catering outside the home. It covers commercial catering, i.e. cafeterias, fast-food outlets, restaurants and sandwich shops, as well

as institutional catering, including canteens, company restaurants, plus self-service snacking:

lunch boxes packaged sandwiches and ready-to-eat salads.<sup>1</sup>

1.2 Restaurant

A restaurant is a place of business offering food, usually prepared by a chef, and beverages to

be consumed on the premises in exchange for payment. This establishment features a variety

of local and foreign cuisines, and is comfortable for customers. Catering options include

gourmet and fast food.<sup>2</sup>

1.3 Cafeteria

A public restaurant serving coffee and non-alcoholic beverages. The concept is self-service,

i.e. customers serve themselves from individual trays. They are found in businesses,

institutions and cultural facilities. Cafeterias can be open to the general public or private to the

individual.3

<sup>1</sup> https://en.wikipedia.org/wiki/Food\_away\_from\_home [Consulted 02/06/2024]

<sup>2</sup> https://en.wikipedia.org/wiki/Restaurant [Consulted 02/06/2024]

<sup>3</sup> https://en.wikipedia.org/wiki/Cafeteria [Consulted 02/06/2024]

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#### 1.4 Fast-food

Is a type of catering that serves quick meals or takeaways to save consumers time. This concept was created for workers so they could eat quickly on the job. It includes sandwiches, hamburgers with fries, pizzas, hot dogs and drinks.<sup>1</sup>

#### 1.5 Canteen or meal center

Is a subsidized service where people eat and drink collectively, the difference between canteens and restaurants is that the canteen food offer is free.<sup>2</sup>

#### 1.6 Consumer

Is an individual who buys, or has the capacity to buy, goods and services offered for sale in order to satisfy needs.<sup>3</sup>

#### 2 The different categories of commercial catering

To adapt to the demands and needs of consumers there are nowadays a multitude of signs or catering formulas. Each is adapted to the audience, depending on the time available, the type of meal they wish to make and the budget they are willing to devote to it. We can quote:

- Traditional Catering: from simple restaurant to gourmet restaurant
- Fast restaurants: simple food in disposable packaging. The customer can consume on site or take away the dishes.
- Themed restaurants: restaurants based on a specific concept (pancake, meat, fish ... )

<sup>2</sup>https://en.wikipedia.org/wiki/Soup\_kitchen#:~:text=A%20soup%20kitchen%2C%20food%20kitchen,(such%20as%20coin%20donations).

<sup>&</sup>lt;sup>1</sup> https://en.wikipedia.org/wiki/Fast\_food

<sup>&</sup>lt;sup>3</sup> https://en.wikipedia.org/wiki/Consumer

- Ethnic catering that offers in a personalized setting in the country, typical specialties of a country (ex: Italian, Chinese, Mexican, etc.)
- Restaurant type Farm Inn or Cottage: which honor the preparations of local products
- Restaurants that serve take-out meals that are sold directly (food trucks, etc.)
- There are about 8000 traditional restaurants, 18 000 fast restaurants (7000 fast-food just in the capital)<sup>1</sup>

<sup>1</sup> https://www.nelinkia.com/blog/lexique/restauration-commerciale.html

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## Section two: The methodology of the study

In this section, I will try to present the methodological approach adapted to the nature of our research.

#### 2.1 Presentation of the methodological framework

In order to determine "the impact of eWOM on online consumer purchase intentions", in this particular study, I have employed a quantitative research method so I conducted a questionnaire survey that enabled me to answer my main question, in order to confirm or refuse my hypotheses, a well-defined methodology is essential to obtain the best results.

## 2.2 The objective of the research

The objective of our research is to answer the problematic posed which is « What is the impact of electronic word of mouth on online purchase intentions? »

## 2.3 The definition of the quantitative research method

Quantitative research involves gathering data to analyze behaviors, opinions, or expectations in measurable quantities. Its aim is typically to draw statistically significant conclusions, unlike qualitative research. In academic or professional contexts, quantitative studies aim to prove or demonstrate facts by quantifying phenomena. This method often employs questionnaires or panel surveys for data collection, with results presented as statistical data, often visualized through graphs or tables.<sup>1</sup>

#### 2.4 Quantitative study techniques

To conduct a quantitative study, the researcher must select a representative sample of the population being studied. This representativeness ensures the relevance of the results. The researcher has two tools for conducting a quantitative study:

<sup>&</sup>lt;sup>1</sup> https://www.scribbr.fr/methodologie/etude-quantitative/

## 2.4.1 The survey:

The survey measures a set of behaviors, dispositions or opinions of a representative sample of the study population. Starting from a single question, this quantitative study technique highlights the distribution of individual opinions. The results, presented in the form of statistics, allow the researcher to quickly produce an analysis and a conclusion of his survey.

## 2.4.2 The questionnaire:

A questionnaire is a tool used in research studies or investigations to collect information from a sample of people. Contains a set of structured questions, usually presented in the form of a list, which participants fill out with answers and it can be administered in different ways [in person, by phone or by email.]<sup>1</sup>

## **Categories of questions:**

- Closed questions: the closed question can be a single or multiple choice.
  - The single choice question: select only one answer from all the answers proposed.
  - The Multiple Choice question is to select one or more answers from a list of definite choice.

#### • "Choose from a grid" questions:

- Linear scale questions: that allow the user to indicate a preference on a scale of numbers.
- The multiple questions grid: that allows the user to answer similar questions by choosing a single answer for each line. Create a Google survey with this type of question is useful in assessing respondent satisfaction.

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<sup>&</sup>lt;sup>1</sup> Idem

• <u>Type questions (scale)</u>: It allows to ask a more nuanced opinion than yes/ no by proposing choose a point in a scale (adjustable from 0 to 10).

## 2.5 Structure of the questionnaire

For the realization of our study a questionnaire composed of 15 questions was developed, with other filter questions which were structured as follows:

<u>Rubrique 1</u>: Includes a short description of my work, to inform respondents that their answers will be used for the completion of a master's thesis.

<u>Rubrique 2</u>: Includes 4 questions about demographics in general which allowed us to determine the identity of the respondents in order to distinguish them.

<u>Rubrique 3:</u> Incudes 10 questions about credibility of online reviews and the influence of negative or positive reviews on consumer intentions

<u>Rubrique 4:</u> Includes one question about the details and elements that influence the choosing of a restaurant

#### 2.6 Data collection

After completing the preparation of our questionnaire, we opted to collect the information and then analyze it.

I shared my questionnaire in a group of Facebook to reach the maximum number of mature people, and I also shared it using the email to reach as many people as possible, of course when I used the email I will reach only to the students.

## **2.6.1** The population:

The chosen population for this study includes consumers who read online reviews before deciding to eat at a restaurant or fast food...

### **2.6.2** Sample:

In a quantitative study, the sample is a subset of the population, from the population that we are studying. These are the sample individuals interviewed in an investigation<sup>1</sup>. After treatment, the results obtained from the sample are extrapolated to the study population.

To ensure the reliability of this extrapolation, the sample must be representative using a sampling technique.

Our sample size is 311 respondents who responded to our questionnaire to help us conduct our research.

#### 2.7 analysis method

Google Forms and Google Sheets were used for data processing and analysis:

- Google Sheets: qui est un tableur, une forme d'Excel, mais qui n'est disponible qu'en ligne.<sup>2</sup>
- o Google forms: which is a free form creation solution. The free tool allows you to collect data and easily organize and analyze it, regardless of its volume.<sup>3</sup>

Two types of sort were performed during our analysis:

- Flat sorting: which gives the distribution of answers question by question, is the
  first statistical treatment carried out. Presented in the form of a table or graph, it
  provides an initial idea of the results and is naturally the basis of the survey
  reports.
- Cross-sorting: it is an operation that allows to analyze the relationships between several variables.

## 2.8 Data exhibition

All the results that I gathered are presented in tables and/or graphs with comments.

<sup>&</sup>lt;sup>1</sup> https://www.definitions-marketing.com/definition/echantillon-etude/ consulted on 02/06/2024 00:11

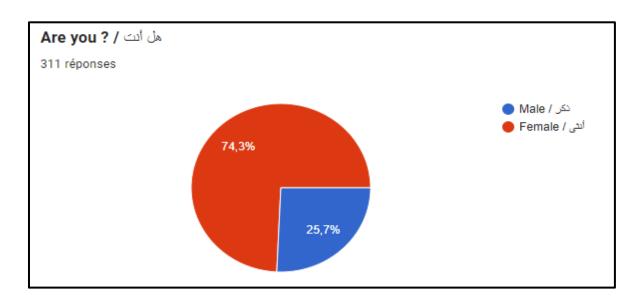
<sup>&</sup>lt;sup>2</sup> https://larevuetech.fr/google-sheets-tableur-traitement-de-donnees/ consulted om 02/06/2024 00 :13

https://www.blogdumoderateur.com/tools/google-forms/ consulted on 02/06/2024 00 : 17

## 2.9 Analysis of results

## 2.9.1 Flat sorting

Figure N01°: The gender of Respondents



**Source:** Made by ourselves

**Comment:** We noticed that from the 311 answers, there is 74.3% [231] are women and 25.7% [80] are men

How old are you ? / ? בא באת לב ? / 311 réponses

Under 18 years old / ייי בי / 18-24 years old / ייי בי / 25-34 years old / ייי בי / 25-34 years old / ייי בי / 35- 44 years old / ייי בי / 45 or plus

Figure N02°: Age range of respondents

**Source:** Made by ourselves

**Comment:** Through the pie chart presented above, we find a variety of age groups of respondents to the questionnaire. A significant majority, 92.6% of the respondents, are aged between 18-24 years old. This is followed by the 25-34 age group with a proportion of 4.5%. In the third position, we find those aged between 35-44 years at 1.9%, and finally, the age group 45 or plus comprises 1% of the respondents. There are no respondents under 18 years old. This age distribution indicates a predominant participation of young adults in the questionnaire.

We deduce that the core of the sample consists of young adults between 18 and 25 years old.

What is your current professional status? / ؟ ما وضعك المهني الحالي ؟ / 311 réponses

Student / طلب | Employee موظف | Employee | مقاحد | Retired | مقاحد | Unemployed | بنون عمل / 92,6%

Figure N03°: The professional Status of respondents

**Comment:** as illustrated by the pie chart, reveals that 92.6% of the respondents are students. This is followed by employees who constitute 4.2% of the respondents. Retired individuals and the unemployed represent 0.3% and 2.9% of the respondents, respectively.

This distribution highlights that the survey primarily captures the most opinions and behaviors of the student population.

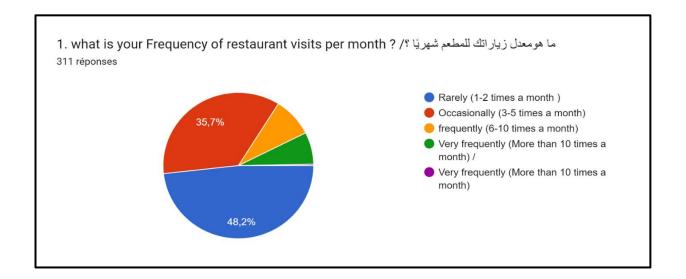
المو مستوى دخلك ؟/ بالمو مستوى دخلك عليه عليه المواقعة ا

**Figure N04**°: The income level of respondents

**Comment:** The pie chart reveals that a majority of respondents, 75.2%, have no income,. Those with an income under 15,000 DA represent 12.5%, while 6.1% earn between [15,000 - 35,000] DA. Respondents earning between [35,000 - 55,000] DA and those between [55,000 - 75,000] DA make up 4.5% and 1%, respectively. Finally, 0.6% of respondents have an income more than 75,000 DA.

This income distribution provides insights into the economic status of respondents, which can influence their dining frequency and sensitivity to online reviews.

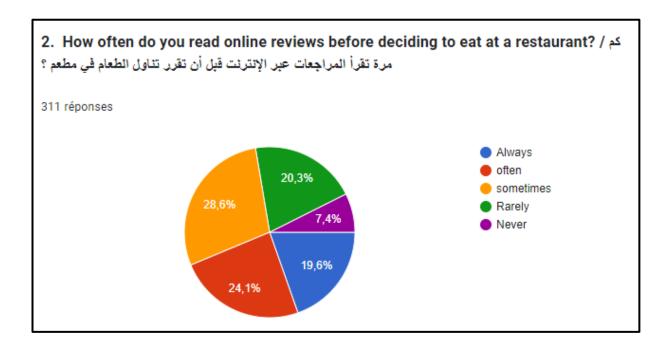
Figure N05°: The frequency of restaurant visits of respondents per month



**Comment:** The pie chart displays the frequency of restaurant visits per month among the respondents. Nearly half, 48.2% of respondents, visit restaurants rarely (1-2 times a month). This is followed by 35.7% who visit occasionally (3-5 times a month). Those who visit frequently (6-10 times a month) make up 8.7%, and very frequently (more than 10 times a month) constitute 7.4% of the respondents.

This data helps to understand the dining habits of the population, indicating that most respondents dine out infrequently to occasionally.

Figure N06°: The Frequency of Reading Online Reviews before eating of respondents



**Comment:** According to the pie chart, the frequency of reading online reviews before deciding to eat at a restaurant varies among respondents. 28.6% of respondents sometimes read reviews, while 24.1% read them often. Those who rarely read reviews constitute 20.3%, and 19.6% never read reviews. Only 7.4% always read reviews before dining out.

This distribution suggests that a significant portion of respondents consult reviews at least occasionally, highlighting the importance of online reviews in their dining decisions.

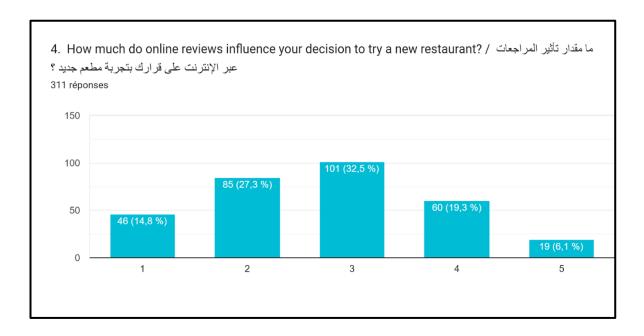
ما هي المنصات التي تستخدمها / ?Which platforms do you most frequently use to read restaurant reviews كثيرًا لقراءة تقييمات المطاعم؟ 311 réponses Facebook **—138 (44,4 %)** Instagram -224 (72 %) Tiktok <del>--</del>76 (24,4 %) -105 (33,8 %) Google reviews [maps] -2 (0,6 %) لا أستعمل منصبات 1 (0,3 %) I don't read it -1 (0,3 %) Les applications du livraison -1 (0,3 %) 200 250 0 50 100 150

Figure N07°: Preferred Platforms for Reading Restaurant Reviews of respondents

**Comment:** The bar chart indicates that Instagram is the most frequently used platform for reading restaurant reviews, with 72% of respondents using it. This is followed by Facebook at 44.4%, Google reviews at 33.8%, and TikTok at 24.4%. Only 0.3% use delivery applications, and an equal 0.3% do not read reviews at all.

This data is important for understanding where respondents are likely to seek information about restaurants, guiding restaurants to focus their eWOM efforts on the most influential platforms.

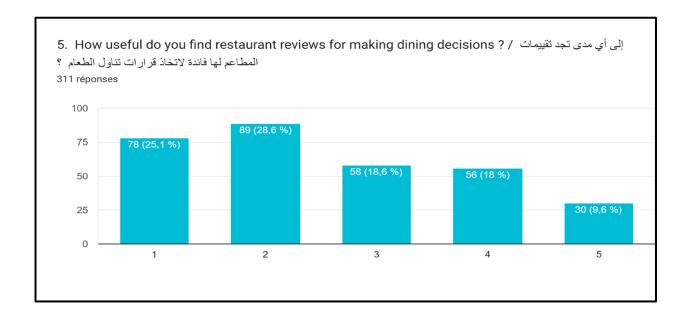
Figure N°08: Influence of Online Reviews on Decision to Try New Restaurants



**Comment:** The bar chart shows the influence of online reviews on decisions to try new restaurants. A moderate influence is reported by 32.5% of respondents, followed by 27.3% who report low influence (rated 2). High influence (rated 4) is reported by 19.3%, while 14.8% report very low influence (rated 1), and 6.1% report very high influence (rated 5).

This distribution indicates that while many respondents find reviews moderately influential, the extent of influence varies, emphasizing the importance of eWOM in their decision-making process.

Figure N°09: Usefulness of Restaurant Reviews in Making Dining Decisions of respondents



Comment: The bar chart illustrates the perceived usefulness of restaurant reviews in making dining decisions. 28.6% of respondents find reviews somewhat useful (rated 2), followed by 25.1% who find them not useful at all (rated 1). Those who find reviews moderately useful (rated 3) make up 18.6%, and 18% find them very useful (rated 4). A smaller proportion, 9.6%, find reviews extremely useful (rated 5).

This distribution indicates varied perceptions of usefulness, highlighting that reviews play a significant but varying role in dining decisions.

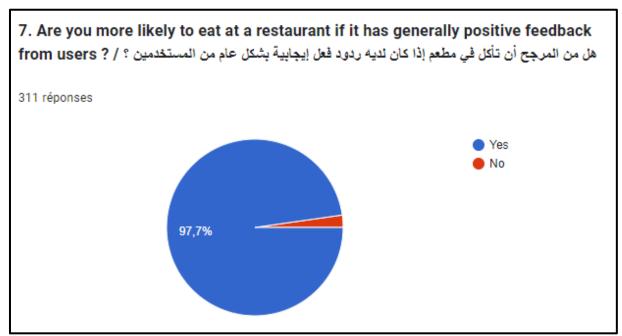
Figure N°10: Value of previous experience based on Online Reviews of respondents



**Comment:** The bar chart illustrates how respondents value their previous experiences when dining at a restaurant based on online reviews. 11.3% of respondents (35 respondents) rated their experience value as 1. This is followed by 23.2% of respondents (72 respondents) who rated it as 2. The largest group, representing 30.9% of respondents (96 respondents), rated their experience value as 3. Another 24.8% of respondents (77 respondents) rated it as 4, while 10% of respondents (31 respondents) rated their experience value as 5.

This distribution indicates that the majority of respondents place a moderate to high value on their previous dining experiences based on online reviews, highlighting the significant impact of these reviews on their future dining decisions.

Figure N°11: The influence of positive OR to eat at a restaurant of respondents



**Comment:** An overwhelming majority, 97.7% of respondents (304 respondents), answered "Yes," indicating they are more likely to eat at such restaurants. In contrast, only 2.3% of respondents (7 respondents) answered "No."

This significant majority suggests that positive online feedback plays a crucial role in influencing respondents' decisions to dine at a restaurant, emphasizing the importance for restaurants to maintain a positive online reputation.

8. How much does the reputation of the restaurant affect your trust in the reviews posted there ? / مدى تأثير سمعة المطعم على ثقتك في التعليقات المنشورة هناك ؟ 311 réponses

88 (28,6 %)

71 (22,8 %)

89 (28,6 %)

46 (14,8 %)

24 (7,7 %)

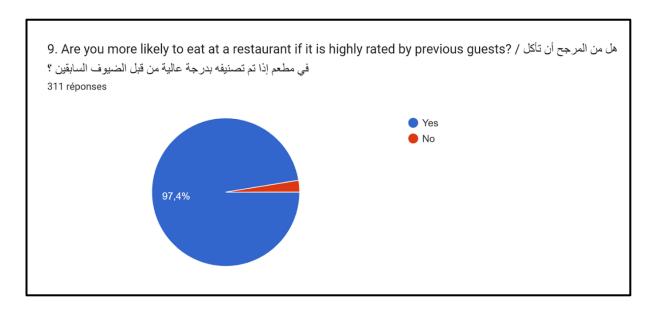
1 2 3 4 5

Figure N°12: Trust in Reviews Based on Restaurant Reputation

**Comment:** The bar chart illustrates how the reputation of a restaurant affects respondents' trust in the reviews posted there. 26% of respondents (81 respondents) rated the influence of restaurant reputation on their trust in reviews as 1. This is followed by 22.8% of respondents (71 respondents) who rated it as 2. The largest group, representing 28.6% of respondents (89 respondents), rated it as 3. Another 14.8% of respondents (46 respondents) rated it as 4, while 7.7% of respondents (24 respondents) rated it as 5.

This distribution shows that the reputation of the restaurant moderately affects the respondents' trust in the reviews, indicating that while reputation is important, it is not the sole factor in their trust.

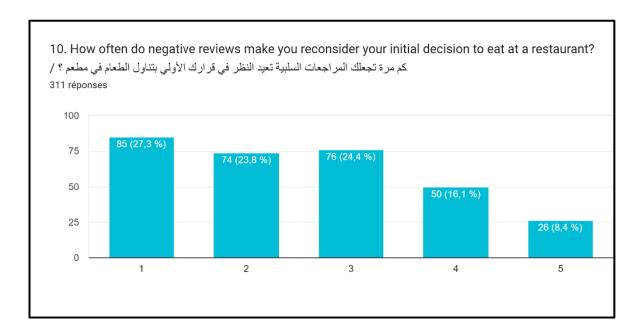
Figure N°13: Impact of High Guest Ratings on Dining Decisions



**Comment:** The pie chart shows the likelihood of respondents dining at a restaurant if it is highly rated by previous guests. An overwhelming majority, 97.4% of respondents (303 respondents), answered "Yes," indicating they are more likely to eat at such restaurants. Only 2.6% of respondents (8 respondents) answered "No."

This significant majority suggests that high ratings from previous guests play a crucial role in influencing respondents' dining decisions, emphasizing the importance for restaurants to maintain high ratings to attract new customers.

Figure N°14: Impact of Negative Reviews on Reconsidering Dining Decisions

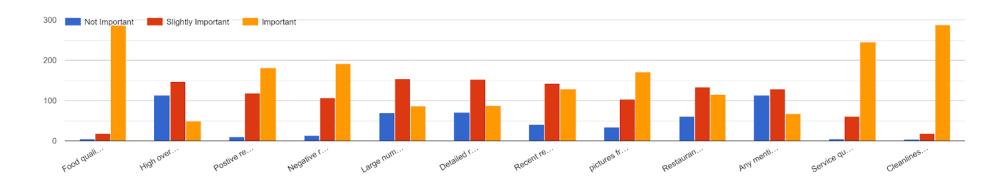


Comment: The bar chart illustrates how often negative reviews make respondents reconsider their initial decision to eat at a restaurant. 27.3% of respondents (85 respondents) reported that negative reviews make them reconsider their decision very frequently (rated 1). This is followed by 23.8% of respondents (74 respondents) who rated the influence as 2. Another 24.4% of respondents (76 respondents) rated it as 3. Additionally, 16.1% of respondents (50 respondents) rated it as 4, while 8.4% of respondents (26 respondents) rated the influence as 5.

This distribution indicates that a significant portion of respondents are influenced by negative reviews to some degree, with a noticeable number frequently reconsidering their dining choices based on negative feedback.

Figure N°15: The influence of various details and elements in restaurant reviews on respondents

ما هي التفاصيل والعناصر الموجودة في مراجعات المطاعم التي تؤثر بشكل أكبر على قرارك بتتاول الطعام في مطعم؟ / ? 11. Which details and elements in restaurant reviews most influence your decision to eat at a restaurant والمعام في مطعم؟ /



**Source:** Made by ourselves

Comment: The bar chart illustrates the influence of various details and elements in restaurant reviews on respondents decisions to dine at a restaurant. The most important [ more than 200 ] elements identified are food quality, cleanliness that shows the importance of a clean and safe dining environment and last service quality, with the majority of respondents rating these as crucial factors in their purchase decision-making. Positive reviews and negative reviews also hold significant importance, reflecting their strong influence on dining choices.. Recent reviews and detailed reviews are considered slightly important, indicating a preference for current and comprehensive feedback. Photos from inside the restaurant are also valued, highlighting the role of visual appeal. While negative reviews and the large number of reviews are slightly to moderately important, they still play a significant role in shaping perceptions. High overall star rating and mentions of special deals or

promotions are the most not important to a notable portion of respondents. Overall, positive aspects such as food quality, service quality, and cleanliness are paramount, Negative and positive reviews also being key factors

<u>Table N03:</u> Table of the influence of various details and elements in restaurant reviews on respondents

	Important	Slightly Important	Not Important
Food quality	288	18	5
High overall star rating	50	147	114
Positive reviews	182	118	11
Negative reviews	192	106	13
Large number of reviews	86	155	70
Detailed reviews	88	152	71
Recent reviews	128	142	41
Photos from inside the restaurant	171	103	34
Restaurant responses to reviews	116	134	61
mentions of special deals or promo	68	129	114
ice quality (staff friendliness, effici	245	61	5
Cleanliness and hygiene	288	19	4

### **Cross Sorting Analysis:**

We used this analysis to get answers related to our hypotheses

- **Question 1**: Are you?

- **Question 2**: How old are you?

**<u>Table N04:</u>** The most dominant category of the sample by age and gender.

	Under 18 years old	18-24 years old	25-34 years old	35-44 years old	More than 45 years old	Total
Male	1	66	10	2	1	80
Female	4	222	4	1	0	231
Total	5	288	14	3	1	311

**Source:** Made by ourselves

**Comment:** we noticed that our sample consists mainly of individuals aged between 18-25 years from 288 individuals, 222 are women and 66 men.

- Question 1: Are you?
- Question 6: How often do you read online reviews before deciding to eat at a restaurant?

**Table N05:** Table for Gender and Frequency of Reading Reviews

	Always	often	sometimes	Rarely	never	Total
Male	6	20	25	21	8	80
Female	55	55	64	42	15	231
Total	61	75	89	63	23	311

Comment: The table illustrates the frequency of reading online reviews before deciding to eat at a restaurant, broken down by gender. It reveals that females are significantly more likely to always or often read reviews compared to males, with 110 females versus 26 males in these categories. The data also shows that females generally engage more with reviews across all frequencies, as indicated by their higher overall participation. Interestingly, the "sometimes" category has the highest overall engagement, suggesting it is a common behavior regardless of gender.

- Question 6: How often do you read online reviews before deciding to eat at a restaurant?
- Question 11: Are you more likely to eat at a restaurant if it has generally positive feedback from users?

<u>Table N06:</u> The relationship between the frequency of reading online reviews and the influence of generally positive feedback on deciding to eat at a restaurant.

	No	Yes	Total
Always	1	60	61
Often	2	73	75
Sometimes	1	88	89
Rarely	2	61	63

Never	1	22	23
Total	7	304	311

Comment: The table reveals a clear relationship between the frequency of reading online reviews and the influence of positive feedback on dining decisions. Out of those who "Always" read reviews, 60 respondents (98%) are highly influenced by positive reviews. This suggests that these individuals place significant trust in the opinions shared by other users and are likely to base their dining choices on positive eWOM. On the other hand, among those who "Rarely" read reviews, 61 respondents (97%) are influenced by positive reviews, indicating that while they are affected by positive feedback, the impact is very similar to frequent readers.

This data supports the hypothesis that positive buying-related information has a substantial impact on customer perceptions. Frequent readers of online reviews are more likely to be swayed by positive feedback, suggesting that businesses can benefit from encouraging satisfied customers to leave positive reviews. The strong influence of positive eWOM on frequent review readers emphasizes the importance of maintaining a positive online reputation to attract and retain customers.

• This supports the hypothesis that positive buying-related information positively impacts customer perceptions.

- Question 6: How often do you read online reviews before deciding to eat at a restaurant?
- Question 8: How much do online reviews influence your decision to try a new restaurant?

<u>Table N07:</u> The frequency of reading online reviews and the influence of these reviews on dining decisions

	1	2	3	4	5	Total
Always	17	17	9	13	5	61
Often	8	26	22	17	2	75
Sometimes	12	20	34	17	6	89
Rarely	5	18	27	12	1	63
Never	4	4	9	1	5	23
Total	46	85	101	60	19	311

### **Comment:**

### 1. Always Read Reviews:

- High Influence (1 and 2): 17 respondents find reviews very influential (1), and another 17 find them highly influential (2). This means 56% (34 out of 61) of respondents who always read reviews consider them very to highly influential.
- Moderate to Low Influence (3 and 4): 9 respondents report moderate influence (3), and 13 report low influence (4).
- Very Low Influence (5): Only 5 respondents find reviews not influential at all.

#### 2. Never Read Reviews:

- High Influence (1 and 2): 4 respondents each report very high (1) and high influence (2), totaling 35% (8 out of 23).
- Moderate Influence (3): 9 respondents feel a moderate influence.
- Low Influence (4): Only 1 respondent reports low influence.
- Very Low Influence (5): 5 respondents report no influence at all.

#### 3. Rarely Read Reviews:

- High Influence (1 and 2): 5 respondents find reviews very influential (1), and 18 find them highly influential (2), totaling 37% (23 out of 63).
- Moderate Influence (3): 27 respondents feel a moderate influence.
- Low Influence (4): 12 respondents report low influence.
- Very Low Influence (5): Only 1 respondent finds reviews not influential.

#### 4. Often Read Reviews:

- High Influence (1 and 2): 8 respondents find reviews very influential (1), and 26 find them highly influential (2), totaling 45% (34 out of 75).
- Moderate Influence (3): 22 respondents feel a moderate influence.
- Low Influence (4): 17 respondents report low influence.
- Very Low Influence (5): Only 2 respondents find reviews not influential.

#### 5. Sometimes Read Reviews:

- High Influence (1 and 2): 12 respondents find reviews very influential (1), and 20 find them highly influential (2), totaling 36% (32 out of 89).
- Moderate Influence (3): 34 respondents feel a moderate influence.
- Low Influence (4): 17 respondents report low influence.
- Very Low Influence (5): 6 respondents find reviews not influential.
- → The more frequently respondents read online reviews, the more influential they find them in making dining decisions.
- → This supports the hypothesis that the frequency of reading online reviews is positively linked to the impact of eWOM on purchase intentions.

- Question 6: How often do you read online reviews before deciding to eat at a restaurant?
- Question 14: How often do negative reviews make you reconsider your initial decision to eat at a restaurant?

Very much not at all

	1	2	3	4	5	Total
Always	21	12	9	12	7	61
Often	13	28	23	10	1	75
Sometimes	24	17	24	16	8	89
Rarely	20	13	17	9	4	63
Never	7	4	3	3	6	23
Total	85	74	76	50	26	311

Table N08: Table of frequency of Reading Online Reviews and Negative Reviews Impact

**Source:** Made by ourselves

**Comment:** The table presented above provides a comprehensive analysis of how frequently individuals read online reviews before deciding to eat at a restaurant and the extent to which negative reviews impact their decision-making. The data reveals a significant correlation between the frequency of reading online reviews and the influence of negative reviews on dining choices.

Individuals who "Always" read online reviews (61 respondents) show a considerable susceptibility to negative reviews, with 21 respondents indicating that negative reviews impact their decision "Very much." This trend suggests that habitual readers of online reviews are more likely to reconsider their dining choices based on negative feedback.

Conversely, those who "Never" read online reviews (23 respondents) exhibit the least influence from negative reviews, with only 7 respondents being significantly impacted. This group demonstrates a higher level of decision-making autonomy, seemingly unaffected by external opinions.

The "Often" and "Sometimes" categories, with totals of 75 and 89 respondents respectively, present a mixed impact from negative reviews. A notable portion of these respondents still exhibit a significant impact from negative reviews, though not as strongly as the "Always" group.

#### Overall,

- Consumers who frequently read online reviews before deciding where to eat ("Always" and "Often") are highly influenced by negative reviews. This indicates that regular readers of online reviews place considerable trust in the opinions and experiences shared by other diners.
- This supports the hypothesis that negative eWOM influences consumer purchase intentions.
- Question 6: How often do you read online reviews before deciding to eat at a restaurant?
- Question 10: How much you value your previous experience when you went to a restaurant based on online reviews?

<u>Table N09:</u> Table of Frequency of Reading Online Reviews and Valuing Previous

Experience

	1	2	3	4	5	Total
Always	7	15	16	16	7	61
Often	6	22	24	17	6	75
Sometimes	9	18	21	30	11	89
Rarely	7	13	29	11	3	63
Never	6	4	6	3	4	23
Total	35	72	96	77	31	311

**Source:** Made by ourselves

**Comment:** the table shows that Individuals who "Always" read online reviews (61 respondents) show a balanced distribution in valuing their previous experiences. This

indicates that while these frequent review readers consider past dining experiences important, they do not let them solely dictate their future dining decisions.

And in the other hand, those who "Never" read online reviews (23 respondents) exhibit a lesser reliance on previous experiences influenced by reviews, with their responses more evenly spread across the scale. This group appears to base their dining decisions more on other factors rather than on online reviews or past experiences.

The "Often" and "Sometimes" categories, with totals of 75 and 89 respondents respectively, also show a moderate level of importance placed on previous experiences. These groups demonstrate a mixed approach, valuing both online reviews and personal past experiences in their decision-making process.

#### Overall,

- People who read reviews more often tend to value their past restaurant experiences
  more when making decisions based on those reviews. Those who rarely or never read
  reviews don't rely as much on past experiences. This means online reviews are
  important, but so are personal past experiences.
- This supports the hypothesis that the credibility of eWOM affects consumer purchase intentions

In conclusion, this thesis highlights the significant impact of electronic Word of Mouth (eWOM) on online consumer purchase intentions. An in-depth analysis of the questionnaire responses provided valuable insights into the frequency of reading online reviews and their influence on purchasing decisions. The results show that consumers who frequently read online reviews are more likely to be influenced by them, whether they are positive or negative.

The study revealed that positive reviews have a significant impact on consumer perceptions, enhancing their purchase intentions. Similarly, negative reviews play a crucial role in making consumers reconsider their initial decisions. Additionally, the credibility of online reviews is a determining factor, especially for consumers who regularly read reviews before making a decision.

By utilizing this data, businesses can optimize their online review management strategies by encouraging positive reviews and effectively responding to negative ones. This will help build consumer trust and improve their purchase intentions. This study thus contributes to a better understanding of the influence of online reviews on consumer purchase decisions, providing avenues for improving communication and marketing strategies.

# **General conclusion:**

The objective of our study was to determine the impact of electronic word-of-mouth (eWOM) on online consumer purchase intentions. In this perspective, we conducted a comprehensive analysis to explore how various elements of eWOM influence consumer behaviors, particularly in the context of online purchase decisions.

Our primary concern was to answer the problematic question: "What is the impact of eWOM on online consumer purchase intentions?"

To address this, we structured our research into two main parts. The first part involved a theoretical literature review to establish a conceptual foundation for understanding eWOM and its various dimensions. We explored the credibility of eWOM, different types of eWOM, and the stages of the online purchase decision process influenced by eWOM. This review provided a solid theoretical basis for our empirical investigation.

In the second part, we adopted a practical approach by conducting a quantitative study through a survey. This empirical study aimed to apply the theoretical concepts to real-world scenarios, enhancing our understanding and enriching our analysis. We presented the methodology of our study, the sample population, and the data collection process.

#### **Results of the Research**

From our literature review and empirical study, we obtained results that provide answers to our hypotheses:

First Hypothesis: Buying-related information has a positive impact on customers' perception of reviews. Our findings confirm that detailed and accurate information in eWOM significantly enhances the perceived value and credibility of the reviews. Consumers rely heavily on specific details and factual content when forming their opinions about a product or service.

Second Hypothesis: The credibility of eWOM and the nature of the information (positive or negative) significantly influence consumers' purchase intentions.

The study reveals that negative eWOM has a substantial deterrent effect on consumers' purchase decisions. Critical reviews and complaints significantly lower the likelihood of a

product being chosen, highlighting the importance of managing and mitigating negative feedback effectively and also confirms that the credibility of the source of eWOM is a crucial factor in influencing purchase intentions. Reviews from trusted and knowledgeable sources are more persuasive, leading to higher purchase intentions among consumers.

Third Hypothesis: The impact of eWOM on consumers' purchase intentions is positively linked to the frequency of reading online reviews. The study supports the hypothesis that frequent exposure to eWOM enhances its impact on purchase intentions. Consumers who regularly read online reviews are more likely to be influenced by them, reinforcing the importance of maintaining a consistent and positive online presence.

### **Verification of Hypotheses**

Based on the results obtained, we can confirm our hypotheses as follows:

- Buying-related information positively impacts customers' perception of reviews. This hypothesis is confirmed by the significant role that detailed and accurate eWOM plays in shaping consumer perceptions.
- The credibility of eWOM and the nature of the information (positive or negative) significantly influence consumers' purchase intentions.

This hypothesis is confirmed by the substantial impact of critical reviews on deterring purchase decisions the higher persuasive power of reviews from credible sources.

• The impact of eWOM on consumers' purchase intentions is positively linked to the frequency of reading online reviews.

This hypothesis is confirmed by the increased influence of eWOM among consumers who frequently read reviews.

#### Recommendations

Based on our findings, we offer several recommendations for businesses to optimize their eWOM strategies:

- Encourage detailed and accurate reviews: Providing platforms for consumers to share comprehensive feedback can enhance the credibility and perceived value of eWOM.
- Manage negative eWOM proactively: Addressing critical reviews and complaints
  promptly can mitigate their negative impact and demonstrate a commitment to
  customer satisfaction.
- **Leverage credible sources:** Collaborating with trusted and knowledgeable reviewers can enhance the credibility and influence of eWOM.
- Promote frequent engagement with reviews: Encouraging consumers to read and
  engage with reviews regularly can amplify the impact of positive eWOM on purchase
  decisions.

#### **Limitations of the Research**

During our research, we encountered several limitations that should be considered:

- Sample size and diversity: Although our sample size was sufficient, a more diverse population could provide broader insights.
- **Data confidentiality:** Some respondents were hesitant to share detailed information due to privacy concerns.
- **Time constraints:** The limited time frame for data collection may have influenced the comprehensiveness of our findings.

In conclusion, our study highlights the significant impact of eWOM on online consumer purchase intentions. By understanding and leveraging the dynamics of eWOM, businesses can enhance their online presence, build consumer trust, and drive purchase decisions effectively.

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# **Appendices**

### Questionnaire

# Rubrique 2/4

1 Are you ? / هل أنت

ذکر / Male

أنثى / Female

2 How old are you ? / ؟ كم عمرك

سنة / Under 18 years old

سنة / 18-24 years old

سنة / 25-34 years old

سنة / 35- 44 years old

45 or plus

3 What is your current professional status? / ? ما وضعك المهني الحالي

طالب / Student

موظف / Employee

متقاعد / Retired

بدون عمل / Unemployed

4 What is your income level ? /? ما هو مستوى دخلك ؟/

دون دخل / Without income

Under 15.000 DA

[15.000 - 35.000] DA

[35.000 - 55.000[ DA

[55.000 - 75.000] Da

More than 75.000 DA

### Rubrique 3/4

1 what is your Frequency of restaurant visits per month? / ما هومعدل زياراتك للمطعم / ؟ شهريًا ؟ شهريًا ؟

Rarely (1-2 times a month)

Occasionally (3-5 times a month)

frequently (6-10 times a month)

Very frequently (More than 10 times a month) /

2 How often do you read online reviews before deciding to eat at a restaurant? / كم / المراجعات عبر الإنترنت قبل أن تقرر تناول الطعام في مطعم ؟

Always / often / sometimes / Rarely / Never

3 Which platforms do you most frequently use to read restaurant reviews? / ما هي المنصات المطاعم المنصات التي تستخدمها كثيرًا لقراءة تقييمات المطاعم

Facebook / instagram / Tiktok / Google reviews[Maps] / others:

4 How much do online reviews influence your decision to try a new restaurant?

/ امقدار تأثیر المراجعات عبر الإنترنت علی قرارك بتجربة مطعم جدید ؟

Scale 1 to 5

Very much 1 /Not at all 5

الى أي / ? How useful do you find restaurant reviews for making dining decisions مدى تجد تقييمات المطاعم لها فائدة لاتخاذ قرارات تناول الطعام ؟

Scale 1 to 5

Very useful 1 /Not useful at all 5

6 How much you value your previous experience when you went to a restaurant based on online reviews? / كم تقدر تجربتك السابقة عندما ذهبت إلى مطعم بناءً على التعليقات عبر الإنترنت؟

Scale 1 to 5

Are you more likely to eat at a restaurant if it has generally positive feedback from users? / هل من المرجح أن تأكل في مطعم إذا كان لديه ردود فعل إيجابية بشكل عام من المرجح أن تأكل في مطعم إذا كان لديه ردود فعل المستخدمين ؟

Yes / No

8 How much does the reputation of the restaurant affect your trust in the reviews posted there ? / ? ما مدى تأثير سمعة المطعم على ثقتك في التعليقات المنشورة هناك ؟

Scale 1 to 5

Very much 1 /Not at all 5

Are you more likely to eat at a restaurant if it is highly rated by previous guests? / هل من المرجح أن تأكل في مطعم إذا تم تصنيفه بدرجة عالية من قبل الضيوف السابقين ؟

Yes / No

10 How often do negative re	views make you re	econsider your initial d	ecision to eat at
a restaurant? / ? ام في مطعم	رارك الأولي بتناول الطع	اجعات السلبية تعيد النظر في ق	كم مرة تجعلك المر
Scale 1 to 5			
Always 1 /Never 5			
Rubrique 4/4			
11 Which details and elemen	nts in restaurant r	eviews most influence y	our decision to
eat at a restaurant ? / کبر	مطاعم التي تؤثر بشكل أ	ناصر الموجودة في مراجعات ال	ما هي التفاصيل والع
ى قرارك بتناول الطعام في مطعم ؟	عن		
	Not Important	Slightly Important	Important
جودة الطعام / Food quality	$\circ$	0	0
High overall star rating /	$\circ$	0	0
Postive reviews / الإبجابية	$\circ$	0	0
السلبية / Negative reviews	0	0	0
Large number of review	0	0	$\circ$
Detailed reviews / المفصلة	0	0	0
الأخيرة / Recent reviews	0	0	0
pictures from inside the	0	0	0
Restaurant responses to	$\circ$	0	0
Any mentions of special	$\circ$	0	$\circ$
Service quality (staff frie	0	0	0

النظافة / Cleanliness