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Word of Mouth: A Literature Review

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Abstract

Purpose: The purpose of this paper is to understand, summarize and highlight the current research work in the area of word-of-mouth (WOM) along with the existing gaps in the literature.

Design/methodology/approach: This study is a qualitative analysis of 20 research articles from peer-reviewed sources covering a span of 14 years from 2002 till 2016 addressing WOM, its antecedents, the effects and its role in the overall larger context.

Findings: WOM strongly impacts consumer behavioral attitudes. Tie strength, stickiness, loyalty, monetary influence can moderate the WOM influence. However it remains to be seen the how various personality traits gets affected.

Practical implications: The findings of this review may help potential marketers to understand WOM and its intricacies and follow the best approach to maximize the WOM effect.

Originality/value: Given the limited amount of the literature focused, this paper summarized the existing work so that researchers and organizations can use this knowledge and focus on their WOM activities. It also highlights the research opportunities for scholars interested in pursuing further studies in this area.

Keywords: Word of mouth (WOM); Referral; Reviews; Ratings

Introduction

Word of mouth (WOM) or consumer-to-consumer interaction has been the center of discussion among the research fraternity for a few decades now. Researchers have already shown the growing influence of WOM and it has been recognized by the marketers to be a highly credible form of marketing information [1]. As evident from the BCG report [2], referrals and recommendations from friends, colleagues or other consumers can go beyond everything else. As per McKinsey [3], WOM is more influential in the developing markets of the world.

The underlying belief is that word of mouth communication can significantly influence consumer's purchase decision. With the advent of eWOM, online consumer reviews can serve as a pillar to overall WOM. The study by Godes and Mayzlin [4] had found positive relationship between TV show viewership and WOM. Similarly Liu [5] suggested that online movie reviews can significantly explain box-office revenue. Organizations are taking WOM seriously as it can affect the businesses both positively and negatively [6].

Word-of-mouth have been found to impact several factors like consumer choice [7,8] service switching [9], purchase decision [10], perception about the product/services [11] with brand choice facilitation for the consumers. At times, it is more effective than the traditional marketing tools of personal selling and various types of advertising [12,13]. In particular, customers pay more attention to WOM among the other various modes of marketing as it is perceived to be credible and custom-tailored and generated by people who are perceived as having no self-interest in pushing a product [14]. eWOM can include online comments or opinions [15,16], blogging [17] product information [18] reviews emails etc. [19,20].

The impact generated by WOM, has made it important for today's marketing researchers to remain updated about its theory, power, effect and understanding. With the high involvement of today's consumer over the internet, WOM is gradually becoming a need for the marketers and it has positioned itself as a topic which the researchers and marketers can't afford to ignore. Overall, it is a necessity to understand where the current research stands on WOM and where it is heading. In this article, we aim to provide a detailed understanding of the following objectives:

a) Summarize the current existing work on WOM by various researchers

b) Highlight the existing gaps in the research literature of WOM

c) Providing clue to researchers for further studies in the area of WOM.

We have produced the existing work on WOM by various researchers covering a span of 14 years from 2002 till 2016. This will provide a fair idea about the direction in which way the research on WOM is heading. Few models which were proposed by earlier researchers have been shown here for better understanding.

Literature Review

Martensen and Grønholdt [21] studied how consumer emotion and choice got affected by word-of-mouth with reference to the service industry. This study aimed to extent the theory of reasoned action (TRA) model by including positive and negative WOM and emotion. It also investigated the mediating role of emotion for WOM and social norm. The model tested was as below Figure 1.
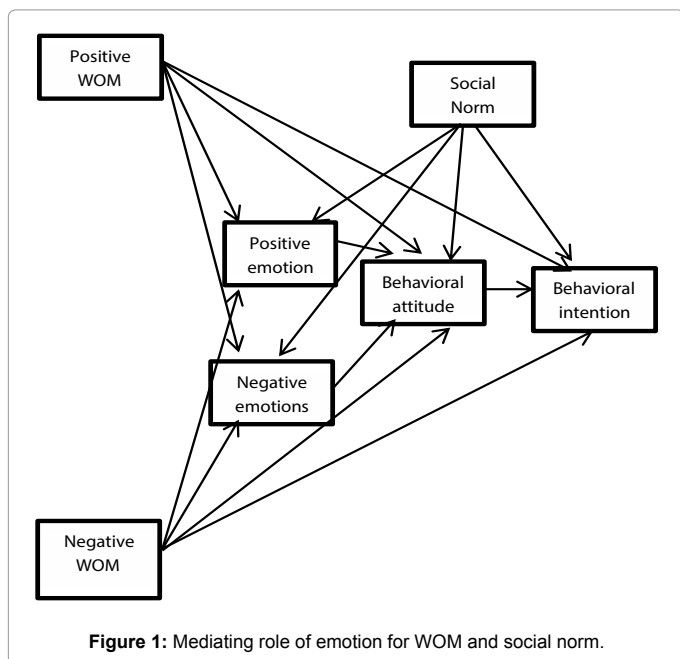
For the study interviews were conducted for 509 respondents

Figure 1: Mediating role of emotion for WOM and social norm.

in Denmark who were between the ages of 19-60 years and the data were analyzed using the PLS SEM models as the model is suited for exploratory research like this.

The findings showed positive WOM significantly influenced the behavioral attitude and intention and negative WOM only slightly impacted the behavioral intention. However, NWOM (negative WOM) strongly affected the behavioral attitudes via negative emotions. Social norm impacted directly PNOM (positive WOM), NWOM, behavioral attitude and behavioral intention. The interesting finding is the total effect of positive WOM exceeded 2 times the effect of social norms on behavioral attitude and intention. The results showed that emotion was a mediator for both WOM and social norm. Thus this research includes WOM and emotion in the TRA model.

The limitation for this paper was the study of one brand from industry. Future research could concentrate on other industries. Also, it would be interesting to look into the tie strength for the preferred WOM sources or impact of other factors like involvement, expertise, credibility and demographic homophily. New moderators like awareness and complexity of the decision could also be included.

In the next paper, that we review the researchers Coulter and Roggeveen [22] studied how consumers responded to WOM communications in the online social network platforms. They examined how the source, channel and message content affect the consumer response to WOM communication in the social media context. The two most used online social media platform i.e. Facebook and Twitter were used for the study. Data were collected using two surveys which the participants to respond regarding a product page suggestion in those two social media sites.

Results showed that consistent with other WOM investigations, source credibility (expertise) significantly determines the effectiveness of a persuasive communication. The product page appeared to be the most important driver to motive customers for online WOM. Thus the marketers were suggested to maintain a strong product page. Unlike the offline world, over the internet the source closeness does not always impact consumer's choice to get more info on the products.

The important finding was if the consumers were able to communicate with the source directly, then the impact of the closeness diminished. However, the opposite was also true. Thus for the marketers, they could follow the followers of their followers to have a bi-directional conversation. Regarding credibility, as the credibility of the product page increased, the consumers were more likely to seek more info about the product. The study also revealed relationship between member number and product page viewing. The more the number of likes (in Facebook) or the number of followers (in Twitter) the more chances were that the consumers will seek product info as the credibility goes up. Regarding network closeness, the study found that more the number of friend/followers joined or recommended the product page, the more likely the customer was willing to get more info on the product. This was because the network closeness is a function of normative influence.

As a limitation, this study focused on only a type of product. Future research could consider the other product categories. The authors predicted that perceived risk associated with the product or product types may impact the results. Again, for a wider social media studies, the authors recommended future studies to consider the various other social media channels.

The next paper we study is from the researchers Mazzarol et al. [23] where they investigate the various complexities of WOM. The aim of this research was to understand WOM and also to study the triggers that motivate people to engage in WOM and the conditions that enhances the chance of WOM happening. The authors also tried to develop a conceptual model of consumer's experiences of producing WOM.

The study was done using focus groups as focus group has always been regarded as a suitable technique for clinical, exploratory interaction kind of studies. Six such focus groups were chosen with nine respondents each on average aged 18-64 years with diverse backgrounds and the sample consisted of 50% male and female participants.

The study had found three key WOM components - valence, the richness of the message content and the strength or power of the advocacy. Intensity and vividness also emerged as important themes. Richness focused on the language used like evocative phrases etc. or the degree of story-telling. The theme strength focused on the manner (passionate or assertive etc.) or intention of the communication, rather than the content and it enhances the communication process in WOM. Apart from these triggers, there were conditions like the intention to act as an advocate or the closeness between the giver and the receiver facilitated the communication.

For the marketers, the study showed WOM process was more complex than previously researched. The success depended on the intensity of the conveyance and the richness of the description among many other factors. The research however was limited by its qualitative studies. Future research might carry out the quantitative studies for the antecedents. Further research could also be done to measure the various WOM facets that were discussed.

Voyer and Ranaweera [24] investigated the impact of WOM on the service purchase decisions. This paper studied the interaction between the tie strength and the service purchase decision and how it impacted the WOM influence. The outcome risk and the psychological risks were tested for their impact on the involvement for the purchase decision. The model proposed by the authors looks as Figure 2.

A pre-test study was conducted with the undergraduate students to

Figure 2: Voyer and Ranaweera proposed model.
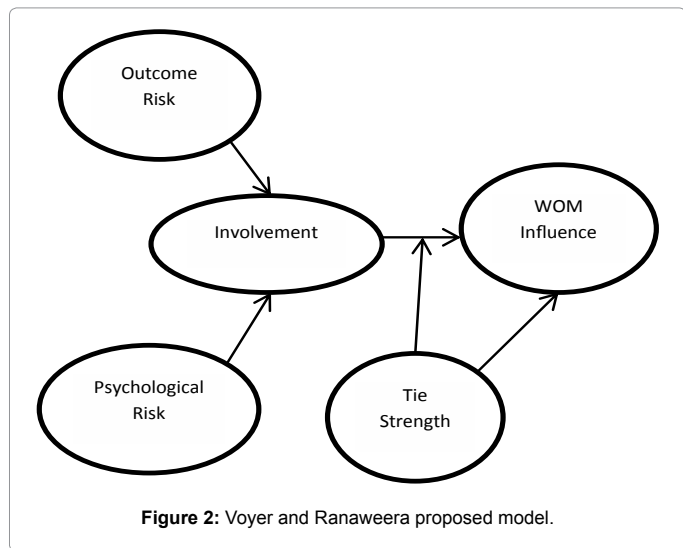
ensure that the questions are understood. Post this, the newly posted military personnel were chosen for the actual study as WOM plays an important role for information and recommendation among the personnel. Both exploratory and confirmatory factor analyses were carried out for the results. Then SEM was used for the analysis.

The result showed that both the involvement and the tie strength positively affected the WOM influence. Also, as a negative moderation effect, the tie strength diminished the effect of involvement on WOM. Also with the WOM influence increased with the increase in the involvement. The same was also true for the tie strength. This study also shows that the consumers level of involvement in the WOM was impacted more the tangible and substantive elements of risks (like potential psychological or social harms), rather than that of the intangible ones.

Thus, for the managers, they should focus on creating strong tie strength within their consumer base. This research was limited by its scope within the military community. Future researchers might wish to conduct the research among cross-cultural communities. The response rate was 36% and the authors had also not tested for potential biases. This study could also include various types of emotions that can trigger WOM like anger or excitement etc. in the future.

Choudhury [25] explored the impact of various dimensions of service quality on WOM. The study aimed to link the constructs of service quality and WOM at the dimension level. The study focused on the retail banking industry and thus the data were collected from 6 major banks. The authors had contacted 3600 customers and have received 864 complete usable questionnaires. Customer perceived service quality was measured using the modified SERVQUAL instrument. The questionnaire contained two sections to measure the customer expectation and customer perception. Few items from the original SERVQUAL scale were dropped or modified to make it suitable for this study. From the factor analysis, four factors were identified for service quality: attitude, competence, tangibles and convenience. The analysis was done using the multiple regression analysis to find out the effect of the factors oft service quality on WOM.

The factor attitude got the highest proportion followed by service factor competence, tangibles and convenience. Within the retail banking, the variable attitude was defined by promptness of the

service or the promptness or courteous behavior of the staff. The factor competence was defined by the banks' ability to fulfill its promises. The factor tangibles checked the materials or physical facilities associated with the bank whereas the convenience factor checked the location of the branches or the ATM network.

This study had been limited by the banking industry. There is a provision to check the same in other retail industry as well. Also further investigations may include multiple measures in the WOM construct.

Researchers Roy et al. [26] investigated the mediating impact of stickiness and loyalty on the WOM promotion focusing on the retail websites. They aimed to develop and test a model to test the relationship between the dimensions of e-services cape, website quality, stickiness, loyalty and WOM. The proposed model looks like in Figure 3.

To test the model, 660 questionnaires were distributed among the graduate and undergraduate students. The scales for the measurements were 7 point likert scales. Factor analysis and ANOVA were used for the data analysis portions. The authors found that WOM is impacted differently by stickiness and loyalty. Stickiness represents a psychological attachment whereas loyalty represents a concern for the purchase. At the same time, stickiness also impacts the loyalty for the consumers. The results support the significant impact of aesthetics and website interaction on WOM. Also the system quality and service quality found to have significant indirect effect on WOM. For the managers in the industry, the website should motivate consumer to visit frequently and they should be engaged in the website. This can be achieved by improving aesthetics and interactions as found in the study. Interactivity had been found to have a direct impact on stickiness and indirect impact on loyalty. System quality (like website reliability, availability and usability) also found to an important factor for loyalty.

This research had some limitations like the usage of cross-sectional research design. Future research might check the longitudinal research design. Also the result can vary for gender specific instances. For example males might feel comfortable shopping on male product specific websites. Also the factors like customer age, personality along with gender could be looked into the future studies to check the relations.

Ferguson et al. [27] had studied customer sociability and total

Figure 3: Impact of stickiness and loyalty on the WOM promotion focusing on the retail websites.
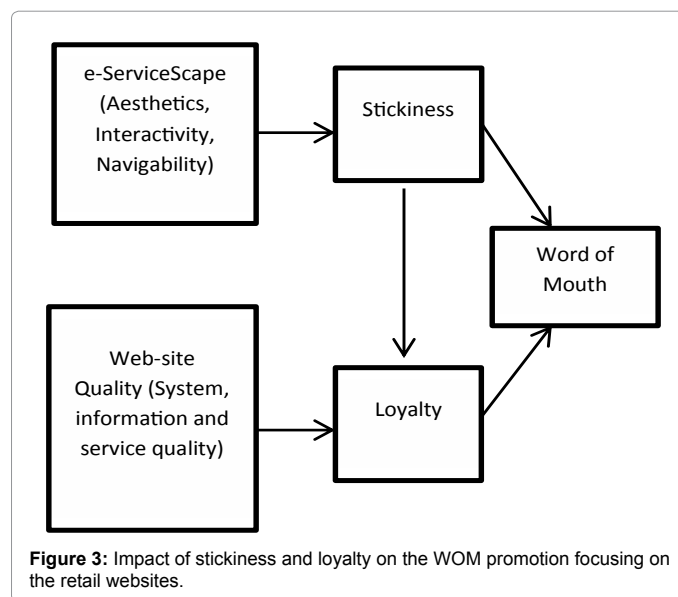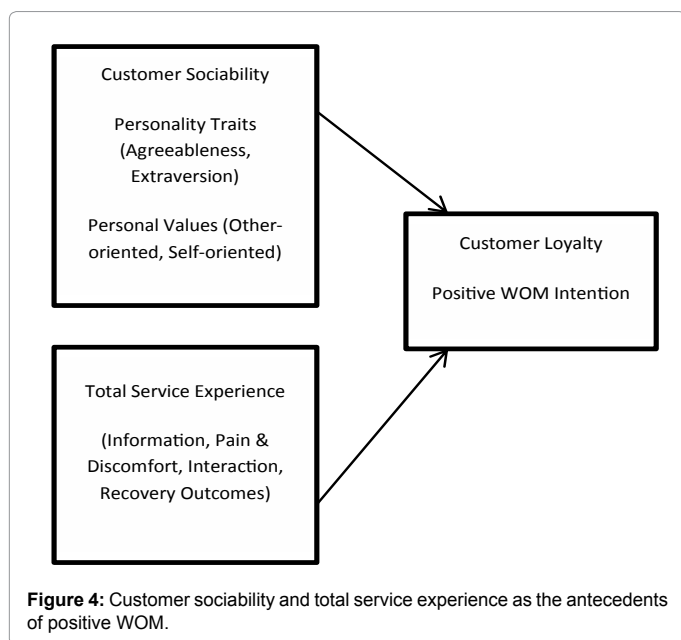
service experience as the antecedents of positive WOM. They tried to answer the question if the socially active consumers engaged in more positive WOM. Here the authors studied the association of positive WOM intention in the hospital context with both the sociability and the perception of service taken into account for the patients. The proposed model was as follows in Figure 4.

Data were collected from 500 patients twice once post the hospitalization and after they had returned to home. ANOVA was used for the analysis. The results found that positive WOM is a social behavior and there is a direct relationship between the intention for positive WOM and sociability and this reflects loyalty. Higher level of agreeableness was linked to the intention for positive WOM. Patients with social behaviors like liking of warm relations are more inclined for positive WOM intention. Customer loyalty took into account the entire service process from curing to caring. They were not disconnected. One interesting finding was patients with the highest positive WOM intentions had lower score in the pain/discomfort score at the surgery. Also the authors found that patient to patient interaction could influence the positive WOM intentions. For the managers, the communication should be structured in a way that the information exchange between the hospital and the patient realize its full potential along with focus on the physical layout of the physical layout of the facility which fosters customer to customer interaction.

The study was limited by the hospital sector. There is a need to expand this study to other sectors as well. Also the aspect of negative WOM was not studied here. It would also be interesting to include services cape and its tangible elements in the future studies.

Researchers Sweeney et al. in 2008 had studied from the receiver's end, the factors which influenced the positive word of mouth. The objective of the study were to find the outcomes of WOM, the factors that influences the receiver to act on WOMs and it also aimed at developing a model which relates to consume experience when they receive the WOM.

The study used 6 focused groups of 54 participants from the financial sector in total where the discussion ran for 90 minutes for each group on an average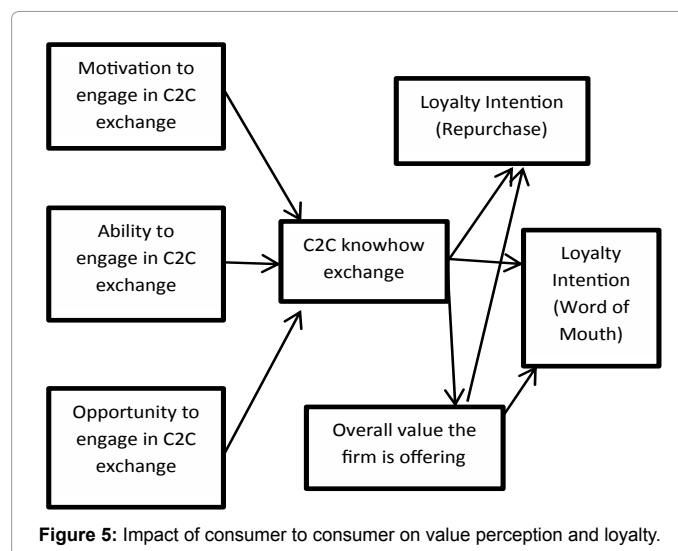. The authors found that the factors which influence a receiver to act on WOM are a combination of interpersonal skills and the nature of the WOM communication itself. The antecedents that created the influence on the receiver were of four types: Personal (credibility, trust, expertise etc.), Interpersonal (strength or homophily), Message Characteristics (vividness, strength, non-verbal communication) and Situational (risk, complexity, multiple sources etc.). Thus WOM was likely to be more effective when one of these four factors happens. The study discovered some outcomes of WOM (which measures how the receiver reacts). This included psychological features like relief, confidence, enthusiasm etc. apart from product evaluation and purchase rate. For the negative WOM, empathy with the giver was the psychological outcome. Also the image of the organization (apart from the product evaluation) improved with the positive WOM. It also found that the message content and the way the message is delivered impacts the WOM. For e.g. WOM from enthusiastic giver creates more impact. Story telling seemed to be more effective as it increases the richness of the content. Body language and gesture also played an important role to create the impact.

For managers, the study provides idea who wanted to systematically generate positive WOM for the company. The chances for positive WOM were higher when the consumers are satisfied with the product or services. Also WOM creates the most impact when the receiver is looking for the information. This study however, did not check the receiver's impact post the WOM generation. Future studies were suggested to study the impact on receiver's attitude and behavior.

Gruen et al. [28] had studied one specific aspect of eWOM communication. They studied the impact of consumer to consumer (C2C) knowhow exchange on value perception and loyalty. The paper also studied the antecedents of consumer know how exchange like motivation, opportunity and ability. The paper proposed a model stating that the perceived utilitarian value that the consumers receive and their loyalty could be influenced by exchange of C2C knowhow. This C2C know how exchanges were facilitated by motivation, opportunity and the ability to engage in knowhow exchange. The proposed model was in Figure 5 as below:

616 complete responses for a questionnaire were received from the users of an online software product forum who engaged in threaded discussions. The sample represented more than 12% of the population. Motivation, ability, opportunity, C2C knowhow exchange was

Figure 4: Customer sociability and total service experience as the antecedents of positive WOM.

Figure 5: Impact of consumer to consumer on value perception and loyalty.

measured using adapted scales. The results found that C2C knowhow exchange affects the value the firm is offering and the consumer's future intentions. It showed that eWOM communication was perceived to be a reliable source of information. E-WOM also impacted the perceived value that the firm is offering. The effect of C2C knowhow exchange on future purchase intention was mediated by the overall value that the firm was offering. Opportunity did not affect significantly to the information exchange which also points that opportunity may play a minor role in internet communication.

This research was limited by the cross sectional study. Future study was suggested to take a longitudinal approach. This study also did not consider the effect of variables like perceived benefit. Also complexity of the product may play a moderating role in the firm's value offering.

Wirtz and Chew [29] in their study investigated the impact of incentive, satisfaction, deal proneness and tie strength on WOM behavior in services context. They felt the need to find out how WOM can be managed more effectively.

A 3 × 3 × 2 experimental design was used to understand the impact of tie strength, incentive and satisfaction on WOM behavior. Projective role playing technique was used in hypothetical situation ensuring that the subjects were familiar with the research context. Through convenience sampling, 250 questionnaires were distributed and 223 were received. The research context was chosen for a mobile phone service provider. The WOM constructs used were: likelihood for WOM generation, favorability of the WOM, chances of making a purchase recommendation. The result showed that incentive was the most affecting the WOM. The likelihood, the favorability or valence of WOM and the chances for recommendation all increased with the increase incentives. Also customers who were high deal proneness, they generated more WOM than those with low deal proneness irrespective of the incentive offered. Incentives also decreased the chances of generating negative WOM. Satisfied customers were more likely to generate positive WOM and they were more likely to recommend purchases. This shows marketers could proactively manage the WOM generated. In line with previous findings, this research also founded that strong tie-strength impacted WOM positively. For managers, thus designing of incentive scheme was vital and they could get the best results devising incentives for satisfied customers.

The study however was limited by the use of monetary incentives. Future research could check the effect of gift, credits and coupons as incentives. Again, this research did not focus on how the WOM is generated on the internet. In the online or the virtual context, the tie strength may affect differently.

Pongjit and Beise-Zee [30], investigated how the incentives for the WOM can impact the brand attitude for the consumers. Their research aimed to understand how monetary and non-monetary incentives affect the various dimensions of brand image within various types of relationship.

The study was conducted in Thailand using student sample consisting of 645 subjects whose age were between 18-25 years. The experiment consisted of a 3 × 3 design where 3 levels of incentives (monetary, non-monetary and no incentives) and 3 social relationship types (authority, kinship and market based pricing) were checked. ANOVA and regression analysis were done on the data.

The findings showed that rewards for WOM harm the brand or its trustworthiness. Financial rewards for recommendation creates more negative impact on trust compared to non-financial rewards. Incentives were perceived to be norm-violators and thus it increased suspicion. Also, relationship did not seem to affect the brand image which supported the perception that brand evaluation was independent from the norm violations. In line with past studies, this research also showed the importance of credibility or source expertise on WOM generation. High credible source were accepted as trustworthy recommenders. In case of low source expertise, the effect of incentives seemed lower.

For the managers, incentives for WOM were not without risks. It may backfire and could affect the brand image. However, incentives could generate new customers as well. Thus a fine balance needed to be maintained. Again, WOM campaigns needed to be evaluated keeping the brand image in mind. In case there was a negative brand image, the WOM campaign should not be continued. Future studies could find how the negative brand attitude can be alleviated. Addressing concerns might be one of the tools. However, this study was limited by the symbolic reward of cash. The effect of charity or donations was unknown in the present work. Again, incentives were studied only for the recommender. It was unknown how the referred customer would behave if he is incentivized as well. Also more research was suggested to find out the context in which the brand is not affected.

Lim and Chung [31] intended to find out how the brand familiarity affects the motivation for evaluating WOM for the brand. The researchers believed that brand familiarity, rather than product familiarity would affect the motivation to process WOM.

228 Undergraduate students from a major university in Singapore were chosen for the study. Brand familiarity (familiar and unfamiliar) and expertise (high and low) of the WOM sender were manipulated in the experiments. ANCOVA was used for the analysis.

The focus of the research was peer-to-peer persuasion rather than company sponsored WOM. The findings demonstrated the moderating effect of brand familiarity on WOM. The expertise of the source was again proved and more so in cases of unfamiliar brand. Even if the WOM was from a high trustworthy source, consumers were unlikely to believe it in case it was for an unfamiliar brand. This study also highlighted the importance of considering the consumers brand attitude certainty in order to predict the attitude change. For the marketers, the brand extension might be used to communicate strong brand positioning. The promotion offers which influenced the band familiarity might also play a critical role. For the unfamiliar brands, the source credibility was important to consider.

The product category (printer) which was used in the study required some technical knowledge to evaluate. Other product categories could be used for future research. It appeared that ease of use and technical competency might play a role for the WOM recipient. The research was limited by applying WOM only in offline word. These days, most of the WOM was being generated in online and in social media. Future research might check the influence of brand attitude in online recommendations.

Chung and Tsai [32] studied the impact of tie-strength on WOM and how it was affected by the regulatory focuses. The theory of regulatory focus said there were two distinct motivations: promotion focused- where the individuals were sensitive to positive outcomes and; prevention focused- where the individuals were sensitive towards negative outcomes.

206 undergraduate university students were chosen as the sample. The subjects were randomly assigned conditions (manipulation of tie strength or manipulation of regulatory focus) and then were distributed

questionnaires. The findings show regulatory focus to be an antecedent for WOM. It seemed to moderate the relationship between tie-strength and WOM. Factors like vigilance and carefulness were the characteristics of preventive focused WOM giver. However, these factors were absent for the promotion focused WOM giver. This effect of regulatory focus suggested the varied effects of WOM when the consumer interacts with various social groups. For managers, the companies might highlight the disadvantages of not sharing a nice experience by highlighting how consumers can miss the chance of strong tie with the consumer base. This might be of particular interest in case of online WOM. Companies could also encourage the promotion faced behavior to manage WOM.

The research was limited by its sample selection of predominantly Asian students. It is known that culture seems to impact motivation. Thus future studies might study the moderating effect of culture. Another interesting area for future research could be the impact of tie strength and regulatory focus on WOM valence. This may have high influence in the online context. Also the effect and results of weak vis-à-vis strong tie strength could be looked upon.

Sweeney et al. [33] in their paper studied the influence of various factors enhancing WOM influence. Their paper aimed to study the effects of message, service product and interpersonal factors on positive and negative WOM. They also tried to find out how WOM influences consumer's willingness to use a service provider. The model proposed looked like in Figure 6.

1000 subjects (50% females) were chosen for the study from the members of an online consumer group where they get points to participate in the survey. Data was collected in the form of questionnaire which was tested previously on a small convenient sample. The responses recorded were from a range of services like cafes, healthcare, automotive, finance and other business services. The measurement model was tested using confirmatory factor analysis.

The results pointed out that positive WOM impacts more significantly than the negative WOM. Both in cases of positive and negative WOM, interpersonal factors (like homophily etc.) and message strength impacts the perceived WOM influence. It was also found that in case of positive WOM, brand equity perception enhances
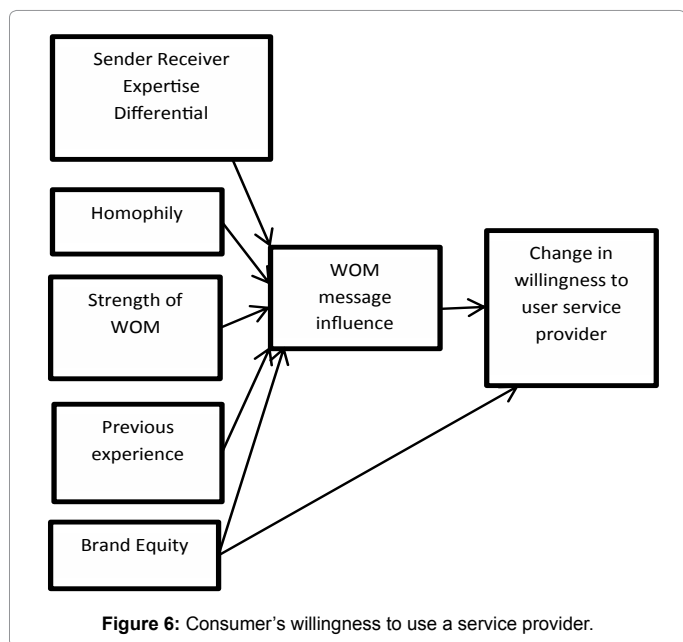
message influence and decreases in case of negative WOM. Again, previous experience with the service provider reduces the impact of positive WOM, but that in case of negative WOM did not effect. Supporting earlier works, a strong WOM from a very close source had a high impact on the recipient. It was also found that brand equity had a direct impact on the consumers' willingness to use a service provider.
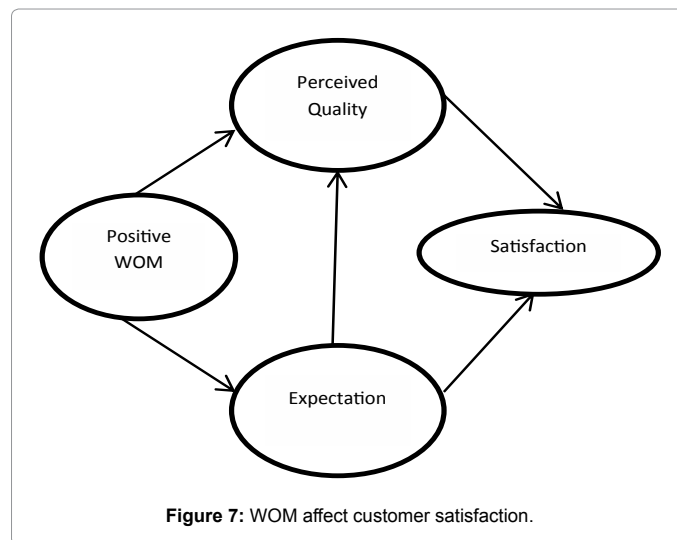
For the managers, interpersonal variables might be helpful in case of positive WOM, but they surely helped in escalate the situation in case of negative WOM. For the businesses, positive brand equity might serve as a buffer for negative WOM and it can increase the impact of positive WOM. Along with the volume, the strength and source of the WOM was crucial for the businesses.

The study was limited within the service sector. Thus the product context and the product complexity remained to be seen for the same objective. Future research could also concentrate on other antecedents like the serendipity on message influence. Also the strength of WOM might vary with the risks associated with different kinds of services. This research focused on one-to-one communication. Thus there is a need to see how broadcast form of media (social media) impacts WOM.

A recent study by Shi et al. tried to find out how WOM affect customer satisfaction. In this article the researchers explored how WOM impacted the mechanism of customer satisfaction. They also observed the moderating effect of WOM source and product type on the relation. The proposed model looks like this seen in Figure 7.

The experiment was conducted with 160 college students whose average age was 22 years with almost equal male and female students. They measured the perceived expectations, perceived product quality and satisfaction. These three factors were manipulated among the subjects: WOM strength (positive or negative), WOM source and product type. MANOVA was used for the analysis.

The results showed that WOM impact satisfaction via expectation. Positive WOM creates higher expectations and there is a chance of lower satisfaction. The same is reverse in case of negative WOM. Also the researchers did not find regulatory role of product type in the link between WOM and perceived quality. The perceived quality was found to have a strong influence on satisfaction. Product type as a moderating variable significantly impacted the perceived quality and satisfaction. It was same in case of both positive and negative WOM. Also the

Figure 6: Consumer's willingness to use a service provider.

Figure 7: WOM affect customer satisfaction.

expectations did not change for the positive and negative WOM. For the managers, spread of positive WOM could improve the brand image and purchase intention. With higher expectations, the businesses must be able to control the risk. Appropriate negative WOM could increase the tolerance and made it easier to achieve customer satisfaction.

The study was limited by the use of WOM as binary variable. Future study may concentrate on using WOM as continuous variable. Also product needs to be looked deeply as how various product types impacts WOM.

Jeong and Koo [34] had studied the effect the valence and objectivity of the online review on the judgment of consumers and if eWOM had a moderating impact on this. The authors tried to check the moderating effect various online platforms like company operated community or consumer operated. The proposed model is shown below Figure 8.

The experiment was a 4 × 2 design. The four parameters were: subjective negative, objective negative, subjective positive and objective positive online reviews whereas the two parameters were user generated and company generated content/sites. The sample size consisted of 480 (47.5% males) from South Korea with 95% of them are in the age group 20-40 years. They were randomly assigned to one of the eight conditions. Snowball sampling technique was used in the design.

The results found than objective negative online WOM were given more importance than other WOM types in terms of message usefulness. It also showed the combined effect of negativity or positivity and objectivity or subjectivity was highly effective in impacting consumer's judgment for product messages. Hence the managers were suggested to manage the negative WOM which are experience based as they can do more harm. Also the product quality should be high and other parameters (like delivery etc.) should be kept in mind. Managers should aim to reduce the negative WOM both in consumer as well as business generated communities. Future research was suggested to diversify eWOM beyond the positivity or objectivity paradigm as this was a comparatively new area. It seemed various product categories might have a moderating effect on consumer's judgment which was

Figure 8: Effect the valence and objectivity of the online review on the judgment of consumers.

not studied in this study. Again this research was carried out utilitarian products. Thus the hedonic products behave in this context is unknown.

Lopez and Sicilia [35] in their research have investigated WOM as a communication tool and they tried to find out how WOM communication impacts new product adoption. They argued that the WOM marketing campaign could be developed even before advertising and thus WOM would play a crucial role in the new product adoption strategy.

In one of the experiment, 171 university students were randomly assigned to two conditions- one where they are exposed to the WOM communication first and in another where the subjects were exposed to the advertisement first. The same experiment was replicated using a non-student sample too. Product awareness and product adoption were measured. Product knowledge and perceived novelty were also measured as additional variables. Chi square test was used for the analysis.

The study confirmed that WOM had a profound impact in new product adoption. Thus the companies should always starts product campaign with WOM first and then starts advertising. WOM impacted consumer awareness and thus resulted in increased adoption. The paper also showed that new product diffusion in enhanced with WOM before advertising launch. Also higher volume of WOM resulted in faster adoption. For the managers, they could ask consumers opinion on new product launch and then the campaign could be designed. Managers could directly reach opinion leaders with demos which could be a part of the seeding campaign. The hype generation around a new product would be important for the businesses.

Future research could look for the role of information search or WOM at a later stage of product adoption. Again this study was limited by one type of product. Various product like experience or search product might behave differently. Also further research is required to see how various communication tools or their combination works in the diffusion process.

Christodoulides et al. [36] in their research studied how cross-cultural differences impact the purchase intention for WOM among the UK and Chinese consumers. The research design was 2 × 2 × 3. 2 parameters were: eWOM types - positive and negative; another 2 parameters: product type – experience vs. search and the last 3 parameters were purchase intention at 3 different times. Snowball sampling techniques was used to contact 103 UK and 106 Chinese consumers. Questionnaires were distributed and data were collected. ANOVA was used for the data analysis.

The result showed that the UK consumers had less purchase intention than their Chinese counterparts after exposure to eWOM. This could be as UK consumers were more susceptible to negativity bias for the eWOM. On the other hand, Chinese consumers seem to be highly influenced by eWOM. The findings confirmed that exposure to positive and nagetaive WOM significantly impacted the purchase intention for both the nationals. Also the negativity bias was more important in case of experience products than on search products. Further the study showed the importance of valence if eWOM communication. The purchase intention decreased when participants were fist exposed to positive comments and then negative comments. Similarly the purchase intention increased when the participants were exposed to the negative comments first and then positive comments. It showed that UK consumers gave more importance to the negative comments whereas the Chinese respondents tended to value the most recent communication regardless of the valence.
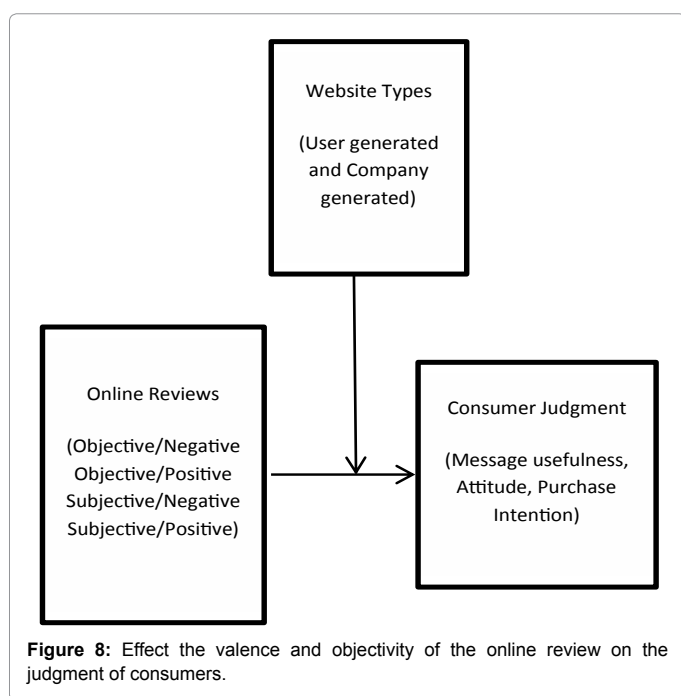
For managers, this study had thrown some light on the international consumer base and how they could behave. The managers need to engage the consumer via comments or blogs. However, this research did not consider the role of previous knowledge in purchase intention. Also future research could look into the personality traits and its impact on purchase intention. Impact of varying eWOM intensity or the number of reviews could also be an important factor for further studies.

Huang et al. [37] explored the factor that can help generating a ripple effect for WOM diffusion in the online environment. The model proposed in the research was this (Figure 9).

The study was carried out in China where the sample included the postgraduate and undergraduate students. The sample size was 393 and a two-step survey was conducted. The first step was a paper and pencil one and the second was an online survey in a simulated online discussion forum. Structural equation modeling was used for the analysis.

Results showed that all four dimensions studied had a significant impact on the consumer's acceptance. Among these dimensions, quality was the most important. The WOM information itself was a main driver for the ripple effect. The effect of the dimensions is same for both positive and negative WOM. In the online context, people acceptance of WOM content was not influenced by the product involvement. Managers thus should be able to create a long WOM flow for the ripple effect. The message and communication should be easy and convenient to transmit. Perceived quality should be the first focus followed by the perceived authenticity.

The study was limited by its geography, China. Also many factors like frequency and source credibility of WOM were not tested. Also the agent's (WOM source) characteristics and behavior were not studied.

O'Reilly and Marx did their research to find out how young tech savvy consumers access the credibility of online WOM. They also focused on the consumer characteristics as the antecedents for online eWOM.

University students were recruited for this study in USA and the data were collected for a 12 month period via face-to-face interview.

Figure 9: Huang proposed model.
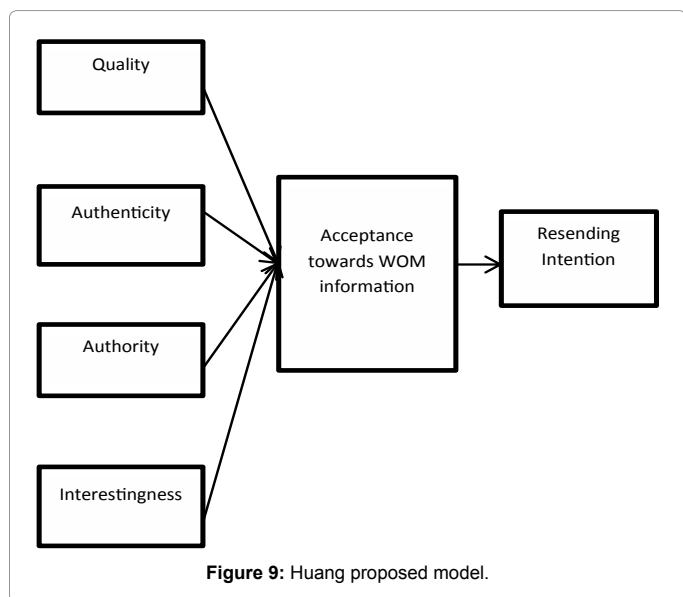
One of the interesting finding of the study was the degree of technical competency did not affect the confidence for online shopping. The outcome was if people needed it and wanted it, they would buy online. Also there is a convenience factor and that motivated consumer to purchase online although consumers generally prefer to try the things in retail store for the look and feel. The study also pointed that the chances of online comments are higher in case of bad or negative experience. The main reasons the authors pointed for online WOM were to enhance self-worth, to avoid risk and negativity bias. Also consumers judged the credibility factor from the polarity, quantity, logic of the posts. The source of the comments and previous experience with the seller also matters.

For managers, it should be kept in mind that tech skills did not play a vital role in online shopping. Thus the user experience could be smoothened. They might engage themselves with the audience via blogs or posts. To achieve viral marketing, managers were suggested to enhance the websites with rich information, trustworthy and balanced consumer reviews and options for engaging in social interaction.

The study was limited by the gender. The entire subject in this study was males. Thus it is unknown how in this context gender would play a role in the attitude or belief expressed in the study. This research also targeted the young consumers. Future research thus could explore a wide range of online consumers.

Conclusion

Over the past few decades, there have been some paradigm shifts in the field of marketing. One of the revolutionary one was with the beginning of internet marketing. The review provided by Schibrowsky et al. [38] proves that scholarly research in the area of Internet Marketing is growing. Word of mouth is one such aspect where the marketing professionals are focusing for some time. It is creating observable effects in the online world with product reviews, ratings, social media communications and the like. Although there are numerous articles on social media in the form of whitepapers and blogs, literature in the form of academic research is still in its infancy. Practitioners and marketers seek to benefit from the understanding of how customers manage, create and share user-generated information along with a broader knowledge of WOM's overall role in the decision making process [39,40].

Theories from psychology and behavioral studies play a crucial role in helping marketers designing the overall WOM campaign to reach and establish a relation with the customers. This research area is a strong and growing field that has conceptual and empirical opportunities for future scholarly research. According to us, the top needed areas for further research in word of mouth are the following:

(1) Impact of WOM on various personality traits and how it affects the purchase intention.

(2) The role of incentives, consumer judgment and influence of brand attitude on customers WOM generation process.

(3) How various product categories impacts the WOM generation.

(4) The role of demographic variables in WOM generation and reaction.

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