Personal versus electronic Word-of-Mouth – an insight based on cognitive and affective factors of Word-of-Mouth in the area of consumer electronics

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Declaration

Declaration: I, Eva Hoehn, declare that this research is my original work and that it has never been presented to any institution or university for the award of Degree or Diploma. In addition, I have referenced correctly all literature and sources used in this work and this work is fully compliant with the Dublin Business School’s academic honesty policy.

Signed: Eva Hoehn

Date: 20. August 2015
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Abstract

The power of Word-of-Mouth (WOM) has long been documented in the literature, indeed WOM is believed to be the most influential sources of information (Barreto, 2013; Kimmel, 2013; Allsop, Bassett and Hoskins, 2007; Solomon et al., 2006). With the aid of the internet the reach of WOM has increased even further, and review websites and social media platforms have made it easier than ever for consumers to share their experiences.

Distinguishing between the traditional form of personal WOM and the impersonal form of electronic WOM, this research examines the relationship of the two forms of WOM in relation to affective and cognitive factors found to influence WOM. For this purpose four WOM factors were investigated: homophily, tie strength, source credibility and argument strength. Conceptually, the Stimulus-Organism-Response model was used to underpin the research and consumer electronics were chosen as the product focus.

To this end both primary and secondary research was conducted, including an online survey which yielded 108 completed questionnaires. The quantitative data obtained from the questionnaires was statistically analysed and results indicate that there is a general prevalence of personal WOM over electronic WOM in terms of perceived importance. For the cognitive WOM factors expectations that electronic WOM would be particular important were not confirmed, however, it was shown that cognitive factors are generally of importance in WOM communications. A significant difference was found for affective factors in favour of personal WOM, which was considered more important by respondents.

As a result, this research advocates a wholistic view of WOM that will encourage academics and practitioners alike to move away from a one-sided approach focusing solely on the more current electronic WOM phenomenon.
Chapter 1: Introduction

The first chapter gives a background on the research topic and briefly discusses the reasons justifying this research. It also gives an overview of how the dissertation is organised.

1.1. Research Background and Scope

People have always exchanged experiences, whether they are of a personal nature or in relation to a purchase or a service provided. Information is sought and given on a constant basis whether in the company of family, friends and colleagues (Balter and Brutman, 2005 as cited by Allsop, Bassett and Hoskins, 2007). As a result, it is unsurprising that the power of Word-of-Mouth (WOM) as a highly influential information source has long been established in academic literature (Barreto, 2013; Kimmel, 2013; Keller and Fay, 2012; Allsop, Bassett and Hoskins, 2007; Solomon et al., 2006).

With the advent of the internet the power and reach of WOM has expanded even further (Barreto, 2013; Cheung and Thadani, 2010) and there is much interest in the opportunities presented by constantly evolving communication technologies.

Naturally, this resulted in a large number of publications on the more recent phenomenon of WOM: electronic Word-of-Mouth (eWOM). Practitioners have also embraced this digital dimension of marketing and it is estimated that by as early as 2016 the global advertising spent will be dominated by digital and mobile (World Economics, 2015).

Given the large interest in all things “online” one might wonder whether traditional WOM has all but disappeared.

Therefore, distinguishing between the traditional form of personal WOM and the impersonal form of electronic WOM, this research examines the relationship of the two forms in relation to affective and cognitive factors found to influence WOM. Conceptually, the Stimulus-Organism-Response model was used to underpin the research. To this end both primary and secondary research was conducted, including an online survey within the researcher’s personal and professional field of access. Consumer electronics were chosen as the product focus of the study.

This paper seeks to add to the current body of academic knowledge and give additional insights into the WOM phenomenon.
1.2. Research Justification

An extensive amount of publications in relation to WOM has been made over the last 60 years. Since the rise of the internet accompanied by a new form of WOM, the focus shifted to see to what extent electronic WOM differed from traditional WOM. Most papers distinguish between the two forms of WOM (Cheung et al., 2009; Kawakami, Kishiya and Parry, 2013; Levy and Gvili, 2015, Fang, 2014), while others suggest to treat them as the same concept with a renewed definition (Barreto, 2013) or do not differentiate at all (Alsopp, Bassett and Hoskins, 2007). Few have appealed to fellow practitioners and academics to view WOM more wholistically (Fulgioni and Lipsman, 2015; Keller and Fay, 2012; Barreto, 2013).

Factors found to influence traditional forms of WOM such as argument strength or tie strength have been successfully been applied to eWOM research (Steffes and Burgee, 2009; Cheung et al. 2009; Chih et al., 2013; Fang, 2014), however, only one paper by Brown, Broderick and Lee (2007) was found that directly compared WOM factors and their relevance in an online or offline environment. Other than this no other researches were found which seek to establish if either one of the two forms of WOM holds precedence over the other and if so, to what extent. In the opinion of the researcher this is a relevant research question since evidence suggests that while marketing budgets keep increasing for online marketing activities, traditional WOM is still by far the most widely used and trusted source of information (Nielsen, 2009; Keller and Fay, 2012).

In order to make the research more specific, the product group selected was consumer electronics as, in accordance with the definition by Kotler and Armstrong (2012, p. 150), they can be defined as high-involvement goods. Such goods are proven to elicit a high degree of information search (Arndt, 1967) and can therefore be expected a good fit to WOM research.

As a consequence, this research seeks to explore this gap in existing literature, opening up new directions for WOM research and in doing so providing valuable insights for practitioners in relation to the current industry focus area which is eWOM and where a more wholistic view may be required.

1.3. Dissertation Organisation

The dissertation is organized into seven chapters which are outlined below.

Chapter 1: Introduction

This is the current chapter which introduces the reader to the background and scope of the research topic, discusses the research justifications and outlines how the dissertation has been organized.
Chapter 2: Literature Review

This chapter contains the review of the academic literature. First, the Word-of-Mouth phenomenon and its origins in Marketing are discussed, including traditional and electronic WOM. Second, the context of WOM is reviewed in terms of WOM motivators, factors that may influence WOM and WOM in relation to different product categories. Third, models and theories of WOM in the literature are being assessed. The chapter closes with conclusions from the literature review and their conceptualisation into the research model for this dissertation.

Chapter 3: Research Methodology and Methods

This part of the dissertation is based on the research onion by Saunders, Lewis and Thornhill (2012) and presents the methodology and methods chosen for this research. It also contains the development of the various hypothesis later used as basis for the primary research.

Chapter 4: Data Analysis and Findings

In this chapter the data collected during the primary research is being analysed and findings are presented both visually (graphs) and through the use of descriptive statistics. The hypotheses are tested against a null-hypothesis and the resulting findings are presented.

Chapter 5: Discussion

This chapter contains the detailed discussion of the findings presented in the previous chapter and an answer to the research question. Results are linked to existing literature.

Chapter 6: Conclusions and Recommendations

Chapter six summarises the research findings and gives recommendations for both practitioners and future academic research endeavours.

Chapter 7: Self-Reflection

The final chapter gives an insight into the learning process from both a theoretical and practical point of view, the latter describing both the experiences during the Master’s program and the dissertation stage.
Chapter 2: Literature Review

According to Blumberg, Cooper and Schindler (2011, p. 86) the first objective of a literature review is to “establish the context of the problem by reference to previous work”.

To that end, a systematic review of existing literature serves the purpose of embedding the current area of research in existing areas of knowledge and to help the reader to understand the problem addressed by the study. It is also undertaken to show how the current topic relates and adds to existing research and knowledge (Blumberg, Cooper and Schindler, 2011). For a systematic approach Collis and Hussey (2009) recommend using a thematic approach, whereby existing literature is broken down into themes and subgroups. As a result, this literature review centres around three major themes: First, the Word-of-Mouth phenomenon and its origins in Marketing are discussed, including traditional and more modern forms of WOM. Second, WOM is reviewed in a more contextual way, including WOM motivators, factors that may influence WOM communications and WOM in relation to different product categories. Third, models and theories of WOM in the literature are being assessed. The chapter closes by summarising the literature review conclusions and reconceptualising them into the research model for this dissertation.

2.1. The WOM Phenomenon and its Origins in Marketing

The following chapter gives an introduction to the WOM phenomenon and an overview to its origins in marketing.

2.1.1. The WOM Phenomenon

The power of Word-of-Mouth (WOM) has long been documented in the literature, indeed WOM is believed to be the most influential sources of information (Barreto, 2013; Kimmel, 2013; Allsop, Bassett and Hoskins, 2007; Solomon et al., 2006). In support of this statement, Keller and Fay (2012) found that 58 percent of consumers consider information obtained through WOM activities as highly credible and 50 percent find it highly likely that they would purchase something as a result.

In the past 30 years the World Wide Web and its integrative and interactive technologies increased the reach and importance of WOM even further (Barreto, 2013; Cheung and Thadani, 2010). Social Marketing with its many possibilities to reach out to consumers through platforms like Twitter, Facebook and LinkedIn is a hot topic and understandably so, as algorithms and digitization of information make the collection, traceability and analysis of customer data easier than ever before (Peltier, Schibrowsky and Schultz, 2003).
Despite the interest in the newer, electronic form of WOM according to Keller and Fay (2012, p. 3) only ten percent of consumer conversations regarding brands happen online, whereas 75 percent are face to face, and another 15 percent on the telephone. For this reason it is important not to concentrate too much on one or the other but rather to consider the combined power of both traditional, face-to-face Word-of-Mouth and electronic Word-of-Mouth (Fulgioni and Lipsman, 2015).

Consequently, Word-of-Mouth may be defined as “all informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services or their sellers” (Westbrook, 1987, p. 261, as cited in Chan and Ngai, 2011).

### 2.1.2. Origins in Marketing

The origins of WOM in Marketing Research can be traced to the fields of psychology and sociology. In their book “Personal Influence: The Part Played by People in the Flow of Mass Communications” Katz and Lazarsfeld (1955) published their additional research on a hypothesis previously formulated by Lazarsfeld, Berelson and Gaudet (1948) on personal influence. The two-step flow of communication model states that mass communications do not, as previously proposed, directly influence the general public and cause it to react, but rather reach opinion leaders first, who then pass it on to their peers which in turn are influenced accordingly, thus implying “networks of interconnected individuals” (Katz, 1957, p. 61). This concept shows that researchers were beginning to be aware of the scale of the impact of informal conversations.

Nearly ten years later, marketers already had a fairly distinct idea of the powers of WOM, as seen in Dichter’s 1966 influential article “How Word-of-Mouth Advertising Works”. Dichter distinguishes between pre- and post-decision WOM and touches on speaker motivation and various levels of involvement, listener motivation and influential groups amongst other topics. He also is credited with coining the term “Word-of-Mouth” (Keller, 2012b), even though the term seems to have already been established in the academic world at the time (see references in Arndt, 1967).

Another contemporary researcher was Johan Arndt, who studied the influence of WOM on the diffusion of a new product in an apartment building for married students (Arndt, 1967). His work discusses areas such as flow and effects of Word-of-Mouth in addition to perceived risk, and also investigates the impact of positive and negative WOM. He too is cited to have pioneered early WOM research in marketing (Meiners, Schwarting and Seeberger, 2010).
2.2. Traditional WOM

Before the advent of the internet and more specifically Web 2.0, which promoted online communities and simplified the exchange of information in said communities (Mazurek, 2009; Cheung and Thadani, 2010), the traditional way of exchanging experiences and opinions about a product or service was defined as face-to-face and by people that were acquainted with each other (Arndt, 1967). Similarly, Kawakami, Kishiya and Parry (2013, p. 19) who differentiate between personal and electronic WOM, define personal Word-of-Mouth as “communication [which] involves the exchange of information between people, typically through conversation, and often between people who know each other”.

The aim of WOM is commonly to inform others about one’s experiences in relation to particular goods or services in an informal manner, and what is more also about sellers of said goods and services (Westbrook, 1987 as cited in Steffes and Burgee, 2009). Finally, WOM is non-commercial in the sense that it is not created or sponsored by manufacturers or marketers (Meiners, Schwarting and Seeberger, 2010; Kawakami, Kishiya and Parry, 2013).

A 2009 survey on trust, value and engagement in advertising states that 90 percent of people globally trust in recommendations from people they know (Nielsen, 2009).

For this reason, it is important to stress the personal, informal nature of “traditional” WOM, namely that participants know each other, as opposed to electronic WOM, which will be defined more closely in the next chapter.

It also needs to be emphasized that in today’s day and age the nature of personal communication is no longer exclusively face-to-face but may also include electronic forms such as email, chat, text or phone (Kawakami, Kishiya and Parry, 2013).

Going forward the author will use the term “personal Word-of-Mouth” (pWOM) with the understanding that pWOM is (1) an informal conversation related to a product, service or seller which is (2) predominantly – but not exclusively – face-to-face and (3) between people that are acquainted with each other.

2.3. Power and Reach of Personal WOM

Research by various authors has shown that Word-of-Mouth significantly impacts consumer decisions and can influence attitudes and behaviours (Hovland and Weiss, 1951; Katz, 1957; Hennig-Thurau et al., 2004; Steffes and Burgee, 2009; Nielsen, 2009; Keller and Fay, 2012). Furthermore, WOM marketing was shown to be more powerful than other forms of advertising and is said to have experienced a renaissance due to the increasing fragmentation of media and a declining trust in traditional marketing messages (Steffes and Burgee, 2009; Meiners, Schwarting and Seeberger,
2010). It is estimated that people are exposed to up to 3500 marketing messages every day, many of which are simply ignored and only very few are being responded to (Silverman, 2011). In contrast, as shown earlier the most trusted communication channel is recommendations from peers, which nine out of ten respondents worldwide trust “completely” or “somewhat” (Nielsen, 2009) and is much more likely to evoke not only a response, but an actual purchase (Silverman, 2011).

An early example of the power and reach of personal WOM is Tupperware, which sold plastic containers at so called Tupperware parties through and in the homes of housewives rather than in-store. The parties started in the 1950’s and were a worldwide success (Mulkerrins, 2011; Kelly, 2011), relying on the diffusion of WOM through the networks of the participating guests.

2.4. Electronic WOM

Partly in an effort to set electronic WOM (eWOM) apart from personal WOM, and also due to a recent interest in the phenomenon, eWOM can be found to be described in much detail in the literature.

In contrast to personal WOM, electronic WOM is characterized by its indirect and simplified nature, anonymity, measurability and accessibility (Tsai, Liao and Hsieh, 2014).

In addition, eWOM is not a one-to-one but a one-to-many conversation as it can be distributed to many different individuals. It is also not bound by time in the same way as pWOM since on the World Wide Web a message may potentially last forever and can be accessed by different people at any point in time (Kawakami, Kishiya and Parry, 2013; Steffes and Burgee, 2009).

Hennig-Thurau et al. (2004, p. 39) comprehensively defines electronic WOM as “any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet”. The definition stresses that eWOM may occur before, during or after a purchase and may be positive or negative in nature. It also emphasises that eWOM is “organic” meaning it is created by customers, in contrast to “fertilised” WOM which is encouraged by companies through marketing campaigns (Barreto, 2013, p. 644).

Blazevic et al. (2013, p. 295) point out that there is also a non-verbal side to electronic communications which may impact on other customers’ attitudes and behaviours such as images on social media sites. Further, it is believed that electronic WOM is often about “social signalling”, whereby the brand is used to tell something about the individual rather than the individual saying something about the brand (Fulgioni and Lipsman, 2015, p. 18).
There are various forms and settings that consumers can participate in eWOM and provide opinions, comments and reviews such as weblogs, discussion forums, review websites, e-bulletin board systems, newsgroups, boycott websites and social networking sites (Cheung and Thadani, 2010; Hennig-Thurau et al., 2004). As a consequence of these virtual platforms eWOM is also called virtual Word-of-Mouth. In line with Kawakami, Kishiya and Parry (2013) the author supports the opinion that both terms are imperfect as they do not lend themselves to a clear distinction from pWOM, which may also include virtual or electronic elements.

Going forward the author will be using the term “electronic Word-of-Mouth” with the understanding that it is (1) a statement related to a good, service and/or its sellers which is (2) produced and consumed online, is (3) organic and (4) stemming from an unknown or non-personal source of information.

2.5. Power and Reach of Electronic WOM

Electronic WOM has found a lot of attention in the areas of social and viral marketing (Hennig-Thurau et al., 2004; Symonds, 2014; Powers et al., 2012; Fulgioni and Lipsman, 2015). It is estimated that as early as next year digital and mobile will dominate global advertising spent (World Economics, 2015).

Based on its characteristics (indirect communication, anonymity, simplicity, traceability and volume) it is deduced by Tsai, Liao and Hsieh (2014) that eWOM is more influential and effective than personal WOM.

Despite this, researchers have warned against believing that electronic WOM has replaced offline Word-of-Mouth and instead urge to see electronic and personal WOM wholistically (Barreto, 2013; Fulgioni and Lipsman, 2015) since as much as 90 percent of consumer conversations are taking place offline (Keller and Fay, 2012).

In line with this plea, Fulgioni and Lipsman (2015) stress that electronic WOM is not confined to online platforms but is amplified in an offline environment. This amplification is accelerated by so-called influencers who drive brand conversations disproportionately: people with the “means, motive and opportunity” to influence others (Fulgioni and Lipsman, 2015, p.18). The authors argue that targeting these influencers will further increase the effectiveness of WOM.

According to Powers et al. (2012) by the means of social media consumers are expanding their trust network beyond family, friends and colleagues and which results in a more sophisticated way of decision making. This equally signifies an expansion in the reach of WOM.
There are many examples of the power and reach of electronic WOM, one example being the ice bucket challenge during the summer 2014. It started out as a way to raise money for a self-selected charity and later became linked to ALS (Amyotrophic Lateral Sclerosis). As it was shared on social media platforms the challenge spread around the globe within a month (Sifferlin, 2014). It is estimated that in Ireland alone half a million people participated and together raised €1.1 million for the Irish Motor Neurone Disease Association (Stuart Madge, 2014; RTE, 2014).

2.6. Negative WOM

Consumer experiences are unfortunately not always positive and one of the consequences can be negative WOM. More specifically, dissatisfaction or satisfaction and/or a product’s or service’s performance are said to be the drivers of negative or positive WOM (Barreto, 2013). It has been suggested that there is a prevalence of negative WOM over positive WOM in the sense that customers are more inclined to share an experience with a product, brand or service when their expectations are not fulfilled (Henning-Thurau et al., 2004; Tsai, Liao, and Hsieh, 2014). However, Kimmel (2013) states that “[s]uch claims contradict evidence demonstrating the greater frequency of satisfying consumer experiences relative to dissatisfying ones, upwards of 10:1”.

Barreto (2013) argues that loyal customers, when dissatisfied, are more likely to distribute negative WOM than positive WOM when they are satisfied, as satisfaction has become a standard for them and is the root of their loyalty (and therefore less likely to be communicated). Further, it has been suggested that the motivators for positive WOM differ from those of negative WOM (Sundaram, Mitra and Webster, 1998; also see chapter 2.7.).

Negative WOM can be extremely damaging to a brand, especially when gone viral.

For example, in 2012 McDonald’s used Twitter to launch a campaign which intended to encourage customers share sentimental, heart-warming stories about their McDonald’s experiences. Instead people started to post negative remarks which were read by thousands of followers. Despite McDonald’s trying to end the campaign which it had paid for within only two hours, the “bashtag” kept being used (Hill, 2012).

2.7. Reasons for Engaging in WOM

The following chapter discusses the seasons why consumers might engage in Word-of-Mouth activities both by personal and electronic means. Due to the similarities of pWOM and eWOM, it can be assumed that – even though there may be some that are only applicable to a specific form of WOM – motivations are mostly the same for both forms of WOM (Hennig-Thurau et al., 2004).
Dichter (1966) distinguishes between speaker and listener motivation. Speaker motivation is characterized by four different levels of involvement: Product-involvement, self-involvement, other-involvement and message involvement. The listener’s primary concern is two key points: (1) that the speaker shows interest and concern for the wellbeing of the listener and (2) that the speaker shows convincing knowledge and experience.

Sundaram, Mitra and Webster (1998) further expand on Dichter’s 1966 research in their categorization of speaker’s motivators for positive WOM (altruism, product-involvement, self-enhancement and help the company). They also determined negative WOM motivators, which are altruism, anxiety reduction, vengeance and seeking advice.

Cognitive dissonance is another reason why consumer may engage in WOM (Barreto, 2013). It is an elusive concept that defies a clear definition but is described as a psychologically uncomfortable state of mind and brought in connection with anxiety, doubt, remorse, uncertainty or regret about a purchase decision (Sweeney, Hausknecht and Soutar, 2000). It is suggested that WOM is used to reduce dissonance and reassure the consumer in his/her choice (Barreto, 2013).

In relation to services, which involve a particular element of risk due to their intangible nature, the reduction of the same is also a key motivator for engaging in WOM (Steffes and Burgee, 2009).

Distinguishing between eWOM and pWOM, Fulgioni and Lipsman (2015) state that eWOM is often about “social signalling”, whereby the brand is used to portray the individual. In contrast, personal WOM is more about emotions towards a brand or product.

Finally, WOM is deemed to be a short cut which is a time saving alternative to sifting to large quantities of information that is – especially online – readily available today (Silverman, 2011).

2.8. Factors Influencing WOM

Engaging in WOM activities usually results in some form of result or outcome which may be externally visible such as behaviours or actions, or result in internal changes. For example a prospect may change his/her attitude (which may be positive or negative), experience a decline in the perceived risk of making a purchase decision or adopt the new information learned. Then there is of course the actual purchase or purchase intention (Arndt, 1967; Sweeney, Soutar and Mazzarol, 2008; Cheung et al., 2009, Steffes and Burgee, 2009; Chan and Ngai, 2011; Fang, 2014).
These outcomes – and indeed WOM itself – are influenced by a number of factors. Some are associated specifically with either personal or electronic WOM\(^1\), but the majority are linked to both forms of WOM.

It was shown previously that WOM is an important source of information and thus influences the purchase decision making process. Allsop, Bassett and Hoskins (2007, p. 403) state that decision making is a “complex interplay of cognitive preferences and emotional benefits”. In accordance, Fang (2013) links factors influencing WOM to cognition and affect. The cognitive state can be defined as the “process of thought regarding an information-processing view of an individual’s psychological functions”, whereas the affective state is “the experience of feeling or emotion” (Fang, 2014, p. 70).

Dichter (1966) describes two components that influence the validity and value of WOM, the first one being the listeners concern that the speaker cares about him/her and his/her wellbeing, and is seeking an advantage for the listener (opinion leadership). The second concern of the listener is that the speaker displays a convincing knowledge and experience of the product (source expertise).

As per Sweeney, Soutar and Mazzarol (2008) these two factors are the foundation of a speaker’s credibility or source credibility - and indeed opinion leadership and source expertise are believed to have a great impact on interpersonal influence (Arndt, 1967; Sweeney, Soutar and Mazzarol, 2008; Cheung and Thadani, 2010; Cole et al., 2011; Chan and Ngai, 2011; Barreto, 2013). As a result of an early research conducted by Hovland and Weiss (1951) it had already been concluded that the trustworthiness of the source, or source credibility, combined with the favourable or unfavourable attitude on the subject matter, significantly affected the immediate reaction of the receiver on the fairness of the content presented and on whether drawn conclusions were justifiable. It was reported that high credibility sources were regarded as being justified in their conclusions in 71.7 percent when the same opinion was previously held. In contrast, low credibility sources were regarded as being justified with only 36.7 percent by subjects who previously displayed a contrary or different opinion (Hovland and Weiss, 1951, p. 650).

Furthermore, it is considered a particularly important factor impacting on WOM credibility online (Chih et al., 2013; Cheung et al. 2009). According to Cheung et al. (2009) consumers will deliberate more about the credibility of eWOM compared to pWOM and will only make use of online advice deemed credible.

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\(^1\) For example the disclosure of the sender’s identity is optional in online WOM, but not in personal WOM (Cheung and Thadani, 2010).
However, due to the nature of online communications (one-to-many or many-to-many communications, no physical contact, unknown participants, less tailored messages and no limitation to time or place) this credibility can be difficult to obtain (Barreto, 2013; Cheung et al. 2009).

Source credibility has been linked to the cognitive path for both traditional communications and electronic WOM (Sternthal, Dholakia and Leavitt, 1978; Harmon and Coney, 1982; Cheung et al., 2009; Chih et al., 2013).

**Tie strength** can be defined as “the level of intensity of the social relationship between consumers” and is said to considerably vary within a consumer’s social environment (Steffes and Burgee, 2009, p. 45).

Granovetter (1973) distinguishes between strong and weak ties, whereby strong ties include close family and friendships, and weak ties are characterized by more distant and indirect relationships. He defines interpersonal tie strength to be a combination of time, intensity of emotions, degree of mutual confiding (intimacy) and “reciprocal services” of the tie (Granovetter, 1973, p. 1361).

He argues that because of the cohesive power of weak ties the gap between the micro and macro level of interpersonal networks is closed and messages may be carried further than if they were exposed to strong ties only.

Arndt (1967) reports that according to his experiment women with a high level of social integration adopted the new product faster that those which were isolated, suggesting that strong ties have a higher impact on WOM outcomes than weak tie relations. Further, strong ties are more likely to be used in active information search as they are more readily available and can be contacted more easily (Steffes and Burgee, 2009).

However, in line with Granovetter (1973), Steffes and Burgee (2009) warn that weak ties can also become important for the dispersion of WOM, for example when acquaintances (weak ties) share events experienced by their peers (strong ties) with each other.

In summary, due to the interpersonal, social and emotional aspects which were shown to define tie strength (Steffes and Burgee, 2009; Granovetter, 1973), this WOM factor can be attributed to affect.

**Homophily** is “the degree to which pairs of individuals are similar in terms of certain attributes, such as age, sex, education, and social status” (Brown and Reingen, 1987).
However, Gilly et al. (1998, p. 85) believe that homophily goes beyond mere demographics and argue that “perceptual similarity” such as values, likes, dislikes, preferences, experiences and lifestyles should also be included in the definition. There is said to be a positive relation between homophily and source influence, meaning the more similar two people are, the higher the attraction and therefore the higher the probability that this will influence the consumer’s purchase decision (Blazevic et al., 2013). On the other hand, Brown and Reingen (1987) found that even though it is more likely for sources with high homophily to be used as sources of information, the credibility of information provided is not perceived to be higher by the receiver.

In relation to diffusion, however, according to Sweeney, Soutar and Mazzarol (2008) there is some evidence that a rapid diffusion of WOM is aided if homophily is high.

The opposite of homophily is called heterophily and describes the dissimilarity of consumers.

In some cases, the degree of heterophily or homophily can be difficult to establish as there is no personal or physical contact (Barreto, 2013). Findings by Brown, Broderick and Lee (2007) conclude that even though there is evidence that based on online content alone individuals may form rounded impressions of each other over time and even develop a sense of belonging and support, homophily has no particular relevance in an online environment.

In line with Gilly et al. (1998) who emphasizes emotional factors such as values, likes, dislikes or preferences over demographics, this WOM influencer can be attributed to the affective path.

Another factor said to influence the outcomes of WOM is argument strength, which refers to “the extent to which the message receiver views the argument as convincing or valid in supporting its position” (Cheung et al., 2009, p. 15) and is linked with cognition in information adoption literature (Fang, 2014).

Argument strength plays an important role in the judgement of WOM communication and is seen to be related to the message. Other message characteristics described by Mazzarol, Sweeney and Soutar (2007) are its valence (positive, neutral or negative WOM), strength of advocacy (intention to deliver a message in a powerful manner) and richness of message (vividness, depth, and intensity of the message). The authors suggest that as negative WOM is likely to be communicated on a more vivid manner, it is more likely to be remembered and may influence WOM outcomes. Indeed their study supports the aspect of vividness enhancing WOM responses (Mazzarol, Sweeney and Soutar, 2007).

In relation to online and offline environments, Cheung et al. (2009) state that their research of the literature supports that especially in online environments argument strength will directly have an effect on the attitude of the receiver and perceived credibility of the communication.
As a conclusion, many factors have been reported to influence outcomes of WOM, however, for the purpose of this paper the author has decided not to expand beyond the four factors mentioned as they find frequent mentioning in research papers in relation to both pWOM and eWOM. For the sake of completeness Appendix 1 shows additional factors which were identified in the literature and are attributed to sender, message and receiver.

It is important to note that an element of interactivity can be found when reviewing the classifications in the literature in relation to WOM factors (Cheung and Thadani, 2010; Sweeney, Soutar and Mazzarol, 2008; Allsop, Bassett and Hoskins, 2007). For example, one could argue that source credibility relates to both sender and receiver of WOM as it is a perception of the receiver in relation to the sender. Further, the effectiveness of WOM was found to be higher when information was actively sought by the receiver (Sweeney, Soutar and Mazzarol, 2008). This suggests that it may be impractical to relate factors influencing WOM strictly to message, sender and receiver.

2.9. WOM and Product Categories

In this chapter the reader is introduced to the different buying behaviours related to low- and high-involvement goods and more specifically consumer electronics.

2.9.1. High- versus Low-Involvement Buying Behaviours

It is only natural that consumer display different buying behaviours depending on the type of product or service to be purchased. Some are routine purchases, such as household goods which are simple transactions that do not involve great risks and are more habitual (Rieger, 2007; Kotler and Armstrong, 2012).

Other transactions are more risky, as they may involve more expensive products such as purchasing a car, insurance or holiday; or the product may be more complex, such as a computer or other consumer electronics (Rieger, 2007; Allsop, Bassett and Hoskins, 2007).

To that end, Arndt (1967, p. 294) found that when perceived risk was high, consumers would increase their efforts of seeking out information through WOM.

Generally the positive relationship between the level of involvement and consumer communications has been well documented in WOM research (Dichter, 1966; Cole et al., 2011; Sundaram, Mitra and Webster, 1998).

Kotler and Armstrong (2012) detail four types of buyer decision behaviour depending on the level of involvement and the degree to which differences between the different brands exist:
Kotler and Armstrong (2012, p. 150) also ascertain that for high-involvement products, which are products that are “expensive, risky, purchased infrequently, and highly self-expressive”, there is likely to be a learning process involving the gathering of information and learning about product attributes.

In contrast, for low-involvement goods there is usually little information search or evaluation in play and repeat purchases may not lead to a brand conviction but brand familiarity instead (Kotler and Armstrong, 2012, p. 151).

### 2.9.2. WOM and Consumer Electronics

The previous chapter introduced the notion that the extent to which WOM is both sought and provided varies for different products. For example, restaurants and computers were found to be the two product categories with the highest percentage of WOM activity (both receiving and giving WOM), followed by movies and vehicles (Alsop, Bassett and Hoskins, 2007). Personal care products and athletic shoes ranked amongst the lowest (Alsop, Bassett and Hoskins, 2007).

User-generated content (UGC) on online platforms is deemed to be very influential for “Pricey Tech Electronics”; in fact it was found to be the second most influential informant in this product group after search engines (Rieger, 2007). The author states that generally more complex and more expensive goods are more likely to be influenced by UGC, whereas low-involvement goods are less likely to be influenced.

Chan and Ngai (2011), who did a literature review conceptualizing electronic WOM, report that out of the 94 articles 39 percent do not indicate a product but 17 percent refer to electronic products, indicating consumer electronics to be most frequently researched in WOM research. Citing Park and Kim (2008) there are several reasons for the frequent choice of these types of products in WOM research, such as the fact that electronic goods are often complex and thus consumers are looking for comments from people that have previously used the product. The complexity of the products
remains high due to frequent new product releases which in turn the prospect again needs to familiarize him/herself with. This also results in frequent purchases in this product category.

Consequently, as WOM activity can be concluded to be high for consumer electronics as they have all the characteristics of a high-involvement good this product category can be presumed to be a valuable area for WOM research.

2.10. Models and Theories of WOM

Investigations into the WOM phenomena started more than half a century ago and as a result various models have been applied in research. This chapter gives an overview of the best known and widely used models and theories.

An early model of WOM which was already mentioned is the Two-Step Flow of Communication. It states that mass communication does not flow directly to the general public but takes a step in between in the form of opinion leaders which are considered to be more exposed to the media and influential to their peers (Katz, 1957). It was later criticized in light of evidence for a “one-step” flow of communication whereby mass media directly reaches the individual (Troldahl, 1966). It was consequently suggested that the Two-Step Model may be more appropriate in relation to the influence exerted by the media on behaviour and beliefs (Troldahl, 1966).

The Social Network Theory is a paradigm that found application in Granovetter’s study of tie strength (1973). He argued that because of the cohesive power of weak ties the gap between the micro and macro level of interpersonal networks is closed and as a consequence messages diffusion increases. To that end it can be concluded that both weak and strong ties play an important role in the speed and reach of WOM. As the internet allows for new ways of social networking the paradigm and subsequently Granovetter’s study on strong and weak ties has found renewed applicability in researches related to group, social and WOM behaviour on the web (e.g. Abrantes et al., 2013; Barreto, 2013; Steffes and Burgee, 2009).

Another widely used model in WOM research is the Elaboration Likelihood Model (ELM) of persuasion (Kitchen et al., 2014). The model proposes that when evaluating messages people are not entirely thoughtful, neither are they entirely mindless, but there are situational and personal factors that will influence a person’s cognitive processes (Petty and Cacioppo, 1984). Thus the “central route to persuasion” is taken when careful evaluation occurs before an attitude change, whereas the peripheral route is a route of shortcuts and inferences (Petty and Cacioppo, 1984, p. 668). The model is now critiqued on the basis that it stems from the mass communication area and that the level of
advertising exposure and media consumption (e.g. simultaneous media usage) have changed significantly in the meanwhile (Kitchen et al., 2014).

Also developed in the 1980s, the **Heuristic-Systematic Model of Information Processing (HSM)** is based on a dual process model as well (Kitchen et al., 2014). According to the HSM messages are either processed in a heuristic manner, whereby the receiver makes only limited use of his/her cognitive abilities to assess the validity of a message, or a systematic manner, whereby recipients “actively attempt to comprehend and evaluate the message’s arguments as well as to assess their validity” (Chaiken, 1980). A systematic approach is more likely to be taken in high involvement conditions, meaning the subject is personally important to the message receiver.

Another model (or rather: paradigm) that has been used in social communication and consumer behaviour research is the **Stimulus-Organism-Response (S-O-R) paradigm**. In recent years the S-O-R concept has been successfully applied in WOM research (Fang, 2014; Ha and Im, 2012). The paradigm stipulates that there are processes internal to the organisms which precede behavioural responses (Kawaf and Tagg, 2012). The next chapter will further explore the S-O-R paradigm and its applicability to WOM.

### 2.11. The S-O-R Paradigm

The S-O-R paradigm has been frequently used in consumer behaviour research and particularly in retail and online retail environments (Chan, Yan and Eckerman, 2013; Managanari et al., 2011; Kawaf and Tagg, 2011; Chang and Chen, 2008; Kim and Lennon, 2010; Li, Dong and Chen, 2011; Kim, Yang and Kim, 2013; Huang, 2012).

Its origins have been credited to the discipline of psychology – or radical behaviourism to be precise. Burrhus Frederic Skinner’s (1904-1990) work concentrated on reinforced behaviour and the observation of pigeons. His influential stimulus-response model (1935) was based on the idea that certain number of stimuli would result in behaviours which could then be further reinforced (Kawaf and Tagg, 2012; Martin, Carlson and Buskist, 2009). In a human context the stimulus-response model emphasises the impact of the environment on human behaviour, it does not, however, allow for internal processes: according to this theory consumers have only limited cognitive control and do little more than react to an external stimuli (Schiffman, Kanuk and Hansen, 2011). The paradigm is therefore criticized as regarding humans as machines whose behaviours followed specific laws and were thus predictable (Kawaf and Tagg, 2012; Martin, Carlson and Buskist, 2009).

The **Stimulus-Organism-Response** paradigm is credited to Mehrabian’s and Russell’s 1974 article “An Approach to Environmental Psychology” and thus also called also called Mehrabian-Russel model
(Donovan and Rositter, 1982; Kim and Lennon, 2010). It recognizes that there are processes (emotional states) internal to the organism, which are preceding and regulating behavioural responses (Managanari et al., 2011; Kawaf and Tagg, 2011; Huang, 2012; Fang, 2014). The emotional states were classified into the three so-called PAD dimensions: Pleasure-Displeasure, Arousal-Nonarousal and Dominance-Submissiveness. These in turn would result in avoidance or approach responses (Donovan and Rositter, 1982; Kim and Lennon, 2010).

Donovan and Rossiter were the first to apply and empirically test the Mehrabian-Russel model in the retail store environment (Eroglu, Machleit and Davis, 2003) and found that while two out of the three PAD dimensions could be well applied to retail environments, their evidence did not support the Dominance-Submissiveness element of the model. They concluded that emotional affect is often not given enough credit in relation to its ability to motivate customers to spend more than initially planned (Donovan and Rositter, 1982, p. 54).

Eroglu, Machleit and Davis (2003) later applied the S-O-R paradigm to the online retail context and argue that an atmosphere impacting customer’s reactions can be created in traditional retail stores and online retail environments alike. They further ascertain that cognition should also part of the internal states in addition to emotional reactions (Eroglu, Machleit and Davis, 2003).

Hovland’s (1948) concept of a communicator, stimuli, receiver and response may also be seen as an earlier application of the S-O-R paradigm.

Even though the S-O-R model is a step up from the stimulus-response model, it is not without its criticisms. In his 2002 paper “Stimulus-Organism-Response Reconsidered: An Evolutionary Step in Modeling (Consumer) Behavior” Jacoby discusses problems associated with of the model:

For one, the model is usually visually represented in a linear fashion (S<>O<>R), however, it is used to research and represent phenomena which may be psychological, non-linear, complex or in flow (Jacoby, 2002, p. 52). Thus, this linear illustration may not be fully representative of the phenomenon it is trying to describe and may even hinder the understanding of relationships, dependencies and occurrences (Jacoby, 2002). Furthermore, in some instances it may not be explicitly clear to which of the elements (stimulus/organism/response) a construct should be related. The example Jacoby (2002) gives is that of post-decision processes and whether they relate to organism or response.

In addition to this lack of coherence, the model is also unable to represent the fact that a phenomena can be attributed to more than one element, for example both stimuli and response. Examples would be attitudes or beliefs (Jacoby, 2002).
As a conclusion, the author would argue that despite this shortcomings, the simplicity of the model is in fact one of its strengths. This simplicity allows for the paradigm to be modelled around a complex phenomenon without overcomplicating its components. In addition, the lack of clarity on some parts also gives the researcher the flexibility to apply the model to his/her research and thus justifies the continued use of this paradigm.

2.12. Applicability of the S-O-R Paradigm to WOM

The three elements of the Mehrabian-Russel model are stimulus, organism and response. The following chapter discusses each of them and gives evidence how they relate to the WOM phenomenon.

In S-O-R and consumer behaviour literature a vast amount of stimuli have been described, such as external stimuli (brands, logos, packaging, store environment), stimuli that occur within a person (often based on physiological or bio-chemical changes, such as blood sugar levels) or stimuli that evoke an automated response according to the stimulus-response concept but which are not consciously registered (for example a change in room temperature). Finally, there are these stimuli that the individual is fully aware of, such as motives, perceptions and cognition. This example of a classification of stimuli into different categories was undertaken as part of Jacoby’s reconceptualization of the S-O-R model mentioned above (Jacoby, 2002).

In more general terms any influence by which an individual can be aroused may be considered a stimulus. Thus, WOM communications also fit the criteria of a stimulus (Jacoby, 2002; Fang, 2014). What follows is that an organism which receives the WOM stimuli can be interpreted to be the WOM receiver. The organism goes through a number of internal, mediating processes when evaluating WOM (Chan and Chen, 2008; Kawaff and Tagg, 2012). What is more, according to the third principle of WOM by Allsop, Bassett and Hoskins (2007) decision making consists of a complex interaction of both cognitive and affective elements. As established earlier, WOM is influenced by a number of factors such as source credibility or homophily which may be attributed to sender, receiver and/or message. It was also shown that due to certain overlaps such a categorization may be impractical (Cheung and Thadani, 2010; Sweeney, Soutar and Mazzarol, 2008; Allsop, Bassett and Hoskins, 2007; Jacoby, 2002; Balzevic et al., 2013). At any rate it can be concluded that through a complex, internal interplay of different elements and processes WOM factors influence the organism/receiver (Fang, 2014).
Supporting this, Chang and Chen (2008, p. 820) state:

“The organism is represented by cognitive and affective intermediary states and processes that mediate the relationships between the stimulus and the individual’s responses”.

As a result and in accordance with Fang (2014), Chang and Chen (2008) and Allsop, Bassett and Hoskins (2007) it is therefore justified to differentiate factors influencing WOM – and in turn their influence on the organism – in terms of cognition and affect.

Kim and Lennon (2010) citing Eroglu et al (2001, p.181) define cognitive states as “everything that goes in the consumers’ minds concerning the acquisition, processing, retention, and retrieval of information”.

Several studies have highlighted an interrelation between cognition and affect, and it was consistently shown that cognition can be influenced by the mood of the subject (Kawaff and Tagg, 2012). However, in an online shopping context, Demangeot and Broderick (2007) conclude that cognition appears to be the dominant factor based on the notion that “all shoppers are seekers of information” and online shopping is less intuitive and therefore demands for a higher cognitive effort (Demangeot and Broderick, 2007, p. 880).

As introduced earlier, one central part of the Mehrabian-Russel model was the importance placed on emotional states internal to the organism and regulating behavioural responses (Managanari et al., 2011; Kawaf and Tagg, 2011; Huang, 2012; Fang, 2014). These were measured in the dimension of pleasure, arousal and dominance, whereby dominance was later found not to be applicable in retail environments and subsequently excluded in future research (Donovan and Rositter, 1982; Demangeot and Broderick, 2007; Eroglu, Machleit and Davis, 2003; Kawaff and Tagg, 2012).

In terms of WOM it is important to consider affective states as they can influence message impact. For example, the more similar a WOM receiver is to the WOM sender, the more he/she will feel attracted and is likely to like or want the same things (Blazevic et al., 2013).

As a conclusion, WOM was hereby shown to affect the receiver both emotionally and rationally (Sweeney, Soutar and Mazzarol, 2008).
The last paragraph is dedicated to last of the three S-O-R elements: **response**.

Responses can be internal or external to the organism and consist of both attitudinal and behavioural reactions (Fang, 2014; Sweeney, Soutar and Mazzarol, 2008; Jacoby, 2002). External responses consist of verbal and non-verbal or behavioural responses, including WOM communications. Internal responses may, or may not be perceived by the organism consciously.

Several WOM outcomes have been introduced in chapter 2.8. and the overlap with the response element of the S-O-R model is apparent. For this reason, applying the S-O-R paradigm to WOM, “response” may be regarded as interchangeable with “WOM outcomes” such as awareness or purchase intention.

**2.13. Literary Review Conclusions**

This review of the literature has shown that WOM has long been regarded as a powerful influence on the consumer decision making process and is regarded as the most influential source of information. Its origins have been credited to the field of psychology and sociology and early research investigated the idea of personal influence and a two-step flow of communication model (Lazarsfeld, Berelson and Gaudet, 1948; Lazarsfeld, 1955).

Traditionally, WOM communications would take place face-to-face and by people that are acquainted with each other (Arndt, 1967). However, with the advent of the internet which resulted in an increasing amount of and accessibility to information through evolving technologies, WOM developed a new dimension: electronic WOM. Different authors have tried to define and differentiate interchangeable terms such as online and electronic WOM, or traditional and personal WOM. Ultimately, it may be concluded that since personal/traditional WOM also includes electronic or online elements such as Email or online chat, a clear distinction in terms of terminology and definition is difficult and may even prove impossible (Kawakami, Kishiya and Parry, 2013; Fulgioni and Lipsman, 2015).

WOM was shown to have worldwide reach, as a result of which especially electronic WOM is finding great attention in the areas of social and viral marketing. This is due to its attributes such as indirect communication, anonymity, simplicity, traceability and volume (Hennig-Thurau et al., 2004; Symonds, 2014; Powers et al., 2012; Fulgioni and Lipsman, 2015; Tsai, Liao and Hsieh, 2014).

Nonetheless, with 90 percent of consumer conversations still taking place offline, the importance of seeing pWOM and eWOM wholistically should not be played down (Keller and Fay, 2012; Barreto, 2013).
Furthermore, WOM literature was shown to distinguish between positive and negative WOM but there are contradicting findings on whether negative WOM outweighs positive WOM in the sense that customers are more inclined to share an experience with a product when their expectations are not fulfilled (Henning-Thurau et al., 2004; Tsai, Liao, and Hsieh, 2014; Kimmel, 2013). Whichever may be the case, examples like the “bashtag” show that negative WOM can be extremely damaging to a brand (Hill, 2012).

The reasons for engaging in WOM communications are manifold according to the literature: Product-involvement, self-involvement, other-involvement and message involvement influence the speaker, whereas the listener is more concerned with whether the speaker shows interest, concern, convincing knowledge and experience (Dichter, 1966). Other motivations were discovered to be altruism, product-involvement, self-enhancement and helping the company (applicable to positive WOM). Altruism, anxiety reduction, vengeance and seeking advice is brought into connection with negative WOM (Sundaram, Mitra and Webster, 1998). Further, WOM was found to be used to reduce cognitive dissonance and the feeling of risk (Barreto, 2013; Steffes and Burgee, 2009).

Moreover, it was shown in the literature review that WOM outcomes such as a change of attitude or actual purchase are influenced by WOM factors which have been widely researched. The four influencing factors which were discussed in more detail were source credibility, tie strength, homophily and argument strength as they find frequent mentioning in existing research. In addition, they were shown to relate to cognition or affect.

In terms consumer involvement and buying behaviour it was concluded that as risk is perceived to be higher in high-involvement products, what follows is an increased effort in information seeking through WOM (Dichter, 1966). This is true especially for electronic products because they are usually complex and constantly evolve (Chan and Ngai, 2011).

As the concept of WOM has been researched for over half a century, many different models have been used, such as the Two-Step Flow of Communication model, the Social Network Theory, the Elaboration Likelihood Model (ELM) and the Heuristic-Systematic Model of Information Processing (HSM).

However, the focus of this literature review was the Stimulus-Organism-Response (S-O-R) paradigm, which in marketing has been applied particularly in the retail and online retail context (Chan, Yan and Eckerman, 2013; Managanari et al., 2011; Kawaf and Tagg, 2011; Chang and Chen, 2008; Kim and Lennon, 2010; Li, Dong and Chen, 2011; Kim, Yang and Kim, 2013; Huang, 2012). The model recognizes the existence (and importance) of internal processes that precede a response and moves away from the notion that humans are merely machines with predictable responses to external
stimuli (Managanari et al., 2011; Kawaf and Tagg, 2011; Huang, 2012; Fang, 2014). Initially the model was limited to emotional states internal to the organism only, but later research by Eroglu, Machleit and Davis (2003) ascertains that cognition is also part of the internal states regulating behaviour.

The S-O-R model has previously been applied in WOM research (e.g. Fang, 2014) and is of particular interest, because its simplicity allows for the various facets of WOM to be combined into one model. In summary of the models, concepts and principles introduced as part of the literature review, the research model for this dissertation can thus be conceptualised as follows:

As a conclusion, the literature review has shown that WOM is a phenomenon which consists of many elements and has fascinated academics for over half a century. Because of its complexity and in light of more recent developments such as ever-increasing forms of online communication the researcher would argue that a wholistic approach that includes both personal and electronic WOM is paramount when conducting WOM research.
Chapter 3: Research Methodology and Methods

The specific purpose of this paper is to research the influence of WOM factors both on pWOM and eWOM in order to directly compare and contrast the relationship and importance of both forms of WOM. To that end, a number of hypotheses are formulated in this chapter, research methodology and methods are discussed in detail and ethical issues and limitations are taken into consideration.

3.1. Introduction

According to Saunders, Lewis and Thornhill (2012) the term “research” is frequently used in every day media, however, not always correctly and to its true purpose. Often it is misused to make media content more credible. The authors therefore determine three characteristics that define “true” research endeavours:

1) Systematic data collection
2) Systematic data interpretation
3) Clear research purpose – finding things out

According to these key points Saunders, Lewis and Thornhill (2012, p.5) define research as a systematic undertaking of finding out things to increase knowledge.

This definition stresses the importance of a systematic approach in the sense of using logic rather than beliefs, which results in the necessity of explaining the rationale behind one’s choice of method(s) of data collection, limitations to the research, et cetera.

The second part of the definition, the “finding out things”, details that there is a specific purpose (or indeed several purposes) to the research undertaken, such a question or numerous questions to be answered by the means of descriptions, analysis and explanations (Saunders, Lewis and Thornhill, 2012, pp. 5-6).

2 Methodology: The theory behind how the research was undertaken.
3 Methods: The procedures and techniques used for data collection and analysis.

(Saunders, Lewis and Thornhill, 2012, p. 4)
3.2. Research Problem Definition

There is an old saying which claims that a problem well stated is a problem half solved. In accordance, Gibson (1998) stresses the importance of defining the research problem as exactly as possible:

“Before they can solve a marketing problem, marketers and researchers must first make sure they are working on the right problem. Defining problems accurately is more art than science; it’s a combination of data and judgment that demands real thought and effort.”

Gibson (1998, p.5)

Previous research papers have mostly looked at personal and electronic WOM separately and borrowed from each other for example by using factors that were found to impact personal WOM and testing them in an online context (Blazevic et al., 2013; Cheung et al., 2009; Chih et al., 2013; Fang, 2014; Kawakami, Kishiya and Parry, 2013; Steffes and Burgee, 2009). This paper therefore aims to directly compare and contrast the two forms of WOM in relation to a chosen number of cognitive and affective WOM factors and applying them to the product area of consumer electronics.

To this purpose the general research question reads as follows:

**In the area of consumer electronics, how do personal and electronic WOM compare in terms of cognitive and affective factors impacting WOM?**

3.3. Hypotheses and Research Objectives

Hypotheses usually consist of concepts that need to be translated into something which is researchable (Bryman and Bell, 2007). In order to do so, the researcher has formulated specific objectives whose purpose it is to spell out what kind of information should be produced by the research and thus help solving the research problem (Burns and Bush, 2014, p.78).

In accordance, the next two chapters will present the different hypotheses and objectives related to the four WOM factors.

3.3.1. Hypotheses and Research Objectives: Cognitive WOM Factors

In accordance with previous researches source credibility and argument strength have been linked to the cognitive path (Sternthal, Dholakia and Leavitt, 1978; Harmon and Coney, 1982; Cheung et al., 2009; Chih et al., 2013; Fang, 2014).
**Source credibility** (SC) was found to be difficult to obtain in online environments due to the nature of online communications (Barreto, 2013), but was found to be an important factor enhancing eWOM credibility. According to Cheung et al. (2009) prospects will deliberate more about the credibility of eWOM compared to pWOM and will only make use of online advice which is deemed credible.

It may be concluded that because source credibility is so difficult to obtain online, it is especially important to eWOM. Thus hypothesis 1a is formulated as follows:

**H1a: SC is perceived to be significantly more important for eWOM than pWOM.**

The objective is to examine SC in terms of its two sub-factors (Sweeney, Soutar and Mazzarol, 2008; Dichter, 1966):

- Source expertise
- Opinion leadership

In the literature it is reported that especially in online environments **argument strength** (AS) will directly have an effect on the attitude of the receiver and perceived credibility of the communication (Cheung et al., 2009). On online platforms such as review sites, the sender of the information is often not known, making it hard to establish homophily or reputation (Baretto, 2013). In addition, Demangeot and Broderick (2007, p. 880) conclude that “online shopping environments are perceived in a more cognitive manner”.

As a result, in relation to eWOM affective factors can be presumed to play a lesser role and cognitive cues being more important. Thus hypothesis 1b is formulated as follows:

**H1b: AS is perceived to be significantly more important for eWOM than pWOM.**

In accordance with the definition of Cheung et al. (2009), the objective is to test the importance of AS for pWOM and eWOM in relation to:

- Argument persuasiveness
- Argument validity
3.3.2. Hypotheses and Research Objectives: Affective WOM Factors

From the review of the literature and based on the interpersonal nature of homophily and tie strength, both factors were concluded to relate to the affective path (Steffes and Burgee, 2009; Granovetter, 1973; Gilly et al., 1998).

Homophily (HO) is suggested to be difficult to establish online as there is no personal contact and was found not to be of any particular importance in an online environment in previous research (Barreto, 2013; Brown, Broderick and Lee, 2007). A “homophily of interests” was found to be deciding factor referring to actual content of the webpage rather than the provider of that content (Brown, Broderick and Lee, 2007, p. 8).

As a result, the author would reason that homophily has less of an importance in an online setting and thus hypothesis 2a is formulated as follows:

**H2a:** HO is perceived to be significantly more important for pWOM than eWOM.

Here, the objective in line with Gilly et al. (1998) would be to examine the importance of HO for pWOM and eWOM in relation to:

- Demographics
- Values
- Preferences
- Lifestyle

Tie strength (TS) is said to vary considerably within a consumer’s social environment whereas strong ties are more likely to be used in active information search as they are more readily available and can be contacted more easily (Steffes and Burgee, 2009). Due to the impersonal nature of online communications tie strength can be assumed to be difficult to establish for online environments (Barreto, 2013); therefore hypothesis 2b is formulated as follows:

**H2b:** TS is perceived to be significantly more important for pWOM than eWOM.

In line with the definitions of Steffes and Burgee (2009) and Granovetter (1973) the objective is to determine the importance of TS for pWOM and eWOM in relation to:

- Level of intensity
- Intimacy
- Amount of time spent
3.4. Proposed Methodology and Structure

It was shown earlier that the systematic approach to finding out things was emphasized by Saunders, Lewis and Thornhill (2012, p. 5) as it allows for a purposeful and logical research undertaking which is not based on beliefs and demands certain choices of methods to be used, for example in the area of data collection, et cetera. The research onion by Saunders, Lewis and Thornhill (2012) will thus be used as a structural guide throughout the research process.

Figure 3 – The Research Onion

First, as depicted in the two outer layers, philosophical and approach related choices will be discussed. They are important as they will dictate and influence the other research layers. The inner layers look at methodological choices, research strategies, time horizon and research techniques and procedures, and are thus more related to the actual research part.

3.5. Research Philosophy

Saunders, Lewis and Thornhill (2012, p. 127) define the research philosophy – represented as the outer layer of the research onion – to “relate[...] to the development of knowledge and the nature of
that knowledge”. Since the choice of research philosophy has an impact on both the researcher’s understanding and investigation it is important to be aware of one’s choice: the research philosophy represents the way the researcher makes sense of the world (Holden, 2004).

Just like the research onion there are further subsets of the various existing philosophies some of which will be discussed now:

**Ontology** is a philosophy that examines the nature of reality and questions what things exist in reality or if they are a product of the mind (Saunders, Lewis and Thornhill, 2012; Holden, 2004). It consists of the aspects objectivism and subjectivism, which are both at home in social sciences.

The objectivist stance finds reality to be a concrete process that results in a concrete structure.

In contrast, the subjectivist approach to reality would be that it is a social construct or even an image of the human imagination (Holden, 2004).

**Epistemology** questions the issue of acceptable knowledge in the field and of what this knowledge should be consisting of. It further tries to answer the question whether the principles of the natural sciences can and should be the basis for research in social sciences (Bryman and Bell, 2007).

Since the author feels more drawn to the discovery of acceptable knowledge in WOM literature, and does not believe in reality to be an illusion or social construct, an epistemological approach was chosen for this dissertation.

Consequently, the three research philosophies within Epistemology (positivism, realism and interpretivism) were considered in more detail.

### 3.5.1. Positivism

According to Saunders, Lewis and Thornhill (2012) positivism is based on observable phenomena that allow for assembly of credible data. For the collection of this data, existing theories or models may be used to build the foundation for developing hypotheses. The purpose of these hypotheses, which are to be proven or disproven, is ultimately to help existing theory to evolve and be re-tested. However, existing theories are not the only starting point when applying a positivist approach. After all, all theories have to have started from mere data collection and observing the world at some point (Saunders, Lewis and Thornhill, 2012, p. 134).

The positivist stance promotes the use of natural sciences methods for the purpose of studying social reality and is said to consist of five principles Bryman and Bell (2007):

1. Phenomenalism: only observable phenomena can be considered as confirmed knowledge
2. Deductivism: theory exists to produce hypotheses which, through testing, will allow for laws to be assessed and explained
3. Inductivism: laws are based on facts which are gathered in to deduce knowledge
4. Objectivity: science must be value free (and presumably can be)
5. Scientific and normative statements must be clearly distinguished from one another (scientists must concentrate on the former)

Source: Bryman and Bell (2007)

3.5.2. Realism
The research philosophy of realism is of the view that reality/objects exist independently from the human mind and also is based on a scientific approach to the accumulation of knowledge (Saunders, Lewis and Thornhill, 2012, p.136; Bryman and Bell, 2007). It can be subdivided into direct realism and critical realism.

Direct realism operates under the motto that the way the world is depicted by our senses is accurate and truthful. Critical realism on the other hand points out that senses can be deceptive and we humans merely experience images of objects and things, but not the items themselves – in other words an illusion (Saunders, Lewis and Thornhill, 2012). In order to understand this possible illusion, a second step, mental processing, needs to be taken. In a business and management research context, which is based in the social world, this means that according to critical realists we need to understand the social structures in terms of social science to allow us to comprehend the resulting phenomena (Bryman and Bell, 2007; Saunders, Lewis and Thornhill, 2012).

3.5.3. Interpretivism
This position stresses the importance of respecting the differences between people and objects. It is based on an understanding that humans play the role of social actors. An individual will act in accordance to the meaning that he/she attributes and interprets to his/her social role and likewise make sense of the social roles of others (Bryman and Bell, 2007; Saunders, Lewis and Thornhill, 2012).

Researchers must be empathetic in their approach and understand the world from the point of view of their research subjects. It is argued that interpretivism is particularly appropriate for research in the areas of organizational behaviour, HRM and marketing as businesses are a unique interplay of different individuals and circumstances at a certain point in time (Saunders, Lewis and Thornhill, 2012).
3.5.4. Choice of Research Philosophy

Having reviewed the different philosophical approaches above, the author identifies most with the positivist approach.

The researcher is aware that positivism has become under criticism, for example for restricting results or ignoring findings due to the emphasis on a strict research design which is highly structured. Also, assigning numerical values to phenomena may be misleading (Collis and Hussey, 2009).

Nonetheless the researcher is convinced of the applicability of the positivist approach. This is because it will be the goal of this research to search for regularities and attempt to identify (and quantify where possible) the relationship between the various factors influencing WOM outcomes and personal and electronic WOM based on existing theory reviewed during the literature review. This is in line with the positivist belief that the aim of undertaking empirical research is to do so with a focus on theories in order to explore social phenomena and subsequently find ways to explain them (Collis and Hussey, 2009). Further, the research will involve elements of quantitative hypotheses testing and deduction, whereby quantitative approaches using for example statistics is seen as a classic example of positivism (Blaxter, Hughes and Tight, 2010).

Finally, this philosophical stance believes that reality exists independent of the researcher and can be captured through the means of observation and experiments. What is more, it is seen by many as the most commonsensical approach to research (Collis and Hussey, 2009; Blaxter, Hughes and Tight, 2010).

3.6. Research Approach

There are different approaches to research when observing phenomena, identifying themes and discover patterns.

The approach whereby theory is used and developed from a review of academic literature and then empirically tested against one or more hypotheses is called the deductive approach (Collis and Hussey, 2009). This approach serves the falsification or verification of theory and generalises from the general to the specific. It is also said to relate to the positivist research philosophy (Collis and Hussey, 2009). In contrast, an inductive approach would be to observe a phenomenon, collect data and then derive a theory from studies conducted. With this approach the direction of generalization is from specific to general (Bryman and Bell, 2007). Finally, the abductive approach combines both deduction and induction whereby the researcher tests existing theories by collecting data from
which he/she is able to derive a modified version of existing theory, which in turn is tested again (Bryman and Bell, 2007; Saunders, Lewis and Thornhill, 2012).

The research approach will be **deductive** in nature. This due to the fact that the research will be founded on existing models and factors identified in the literature review such as the S-O-R model and WOM factors, based on which hypothesis are formulated and tested. It was also chosen in order to underpin logic, precision, thoroughness and objectivity which is demanded by the positivist approach (Collis and Hussey, 2009).

Both Bryman and Bell (2007) and Saunders, Lewis and Thornhill (2012) elaborate on several important characteristics of deduction, for example the fact that it allows for the explanation of causal relationships and facilitates replication of the research by employing a structured methodology. Operationalisation is another important characteristic of the deductive approach as it often requires variables to be measured quantitatively. Also, by breaking down phenomena into its smaller elements, it will be easier to understand (reductionism).

Finally, even though clearly defined, this is not to say that in research there may be no overlap with other approaches – some elements of induction may, for example, also apply when interpreting the results or when used in a long-term project (Saunders, Lewis and Thornhill, 2012; Collis and Hussey, 2009). Can be left our if need word count

**3.7. Research Strategy**

In the third layer of Saunders, Lewis and Thornhill’s (2012) research onion the researcher is confronted with a choice of a qualitative, quantitative or multiple method approach to research. Despite the notion that a multiple method approach to research may help overcome shortfalls of employing only one (Creswell, 2003, p. 4) the author decided for a mono method strategy – the quantitative approach. This is for reasons of scope and also due to the fact that quantitative research is generally brought in connection with positivism (Saunders, Lewis and Thornhill, 2012). Furthermore, it is used to determine relationships between variables using numeric measurement and statistical techniques, which is also the main objective of this paper. Finally, deduction, which is the chosen research approach, is associated with quantitative methods (Saunders, Lewis and Thornhill, 2012).

Quantitative research is linked with experiments and survey research strategies from the next layer of the research onion, whereby this research employs the latter.
This decision is based on the five advantages of making use of surveys as identified by Burns and Bush (2014, p. 173): they are easy to administer, provide standardization (identical questions are being asked), get detailed responses (for example on motives or circumstances), are easy to analyse using statistical tools and can reveal subgroup differences. In addition, using a quantitative approach in surveys best fits the objective of this research, which is ultimately to investigate correlations.

The researcher considers that survey advantages outweigh the problems associated with this method such as low response rates, being considered as unsolicited or spam (online) and general accessibility to respondents (Bradley, 2010; Blumberg, Cooper and Schindler, 2011).

The survey will be computer-administered, which has the advantage of being inexpensive, relatively easy to set up and reduces the risk of subjects giving desirable answers in contrast to self-administered surveys (Burns and Bush, 2014).

The chosen research vehicle is the questionnaire.

3.7.1. Questionnaire

Surveys – and in turn questionnaires – are probably the most frequently used method for collecting data in marketing (Domegan and Fleming, 2003). Characteristics of the questionnaire include fixed length, carefully worded questions and answers which are recorded either by pen or online (Bradley, 2010).

As previously shown, there were a number of advantages associated with the usage of surveys, which in turn apply to questionnaires.

In addition to the advantages above, Blaxter, Hughes and Tight (2010) find the possibility of representation and generalization of results to be another advantage. Further, by using questionnaires, research can easily be repeated in different settings for future comparisons, which is an important aspect for any research. Also, provided a good response rate, large amounts of data can be collected quickly (Blaxter, Hughes and Tight, 2010).

However, specifically related to online questionnaires, a number of disadvantages were also found by Jones et al. (2008) and Hunter (2012). For example, response rates are said to be lower than paper questionnaires, which may partially be down to the fact that some participants may not save or submit their forms correctly. Further, computer literacy is a must and the population may therefore not be representative. Also, the population may be difficult to control. In addition, there is the issue of subjects being concerned about own anonymity and confidentiality. Finally, there is the possibility of repeat participation when sending the form more than once (Jones et al., 2008; Hunter, 2012).
3.7.2. The Research Questionnaire

This investigation’s questionnaire was chosen to be delivered online and thus created using the services of SurveyMonkey.com (see Appendices 2 and 3).

Consisting of 19 questions it was designed not to take more than ten minutes and starts off with a brief introduction and the setting of a scenario.

The first part of the questionnaire (questions one to eight) directly relates to the four WOM factors homophily, tie strength, source credibility and argument strength, and translates the research objectives into the questions of the questionnaire. Having decided for a quantitative research strategy, respondents were asked to answer questions using a matrix layout and a 5-point Likert scale from “very important” to “unimportant”.

The second part of the questionnaire contains a number of additional questions in the matrix layout and a dropdown answer format. They inquire about general opinions about WOM and purchase decision making. The final part of the questionnaire asks the respondent for demographical information.

The questionnaire was designed to always show the questions in the same order. This was due to the introduction and scenario which related specifically to questions one to eight. The settings did not allow respondents to skip questions or leave parts of questions unanswered. Furthermore, as the researcher was concerned about the reportedly low response rates for online questionnaires, the IP addresses were not recorded in order to guarantee anonymity and thus stimulate more responses.

The questionnaire was distributed amongst the researcher’s personal field of access using a non-probability, convenience sample method (see chapter 3.12.). The questionnaire was distributed through mailing lists, both personal and professional, and both social and professional networking sites (Facebook, LinkedIn and Xing). Responses were collected over a period of four weeks. The aim was to generate between 100 and 150 completed questionnaires, and in total 120 responses were obtained. Unfortunately, out of these 12 were incomplete and thus had to be excluded from the analysis, bringing the total number of completed questionnaires to 108.

3.8. Research Choice

Choosing the correct research design is a vital part of any study, however, there is no set formula on how to choose it correctly. As it is based on the research problem, a good definition of the same will
help in making that choice and select the most suitable design to solve the problem (Domegan and Fleming, 2003).

The consequences of selecting the wrong design are very likely systematic errors occurring for the remainder of the study, putting its validity at risk (Domegan and Fleming, 2003).

The following table gives an overview of the three types of research designs: Exploratory, descriptive and causal.

Table 1 – Types of Research

<table>
<thead>
<tr>
<th></th>
<th>Exploratory research</th>
<th>Descriptive research</th>
<th>Causal research</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Data type</strong></td>
<td>Qualitative</td>
<td>Qualitative or quantitative</td>
<td>Qualitative</td>
</tr>
<tr>
<td><strong>Aims</strong></td>
<td>To explore, chart, identify</td>
<td>To describe, quantify</td>
<td>To establish cause and effect</td>
</tr>
<tr>
<td><strong>Nature of variables</strong></td>
<td>Unknown, undocumented</td>
<td>Known associations and documented</td>
<td>Known exactly, clearly supported</td>
</tr>
<tr>
<td><strong>Degree of formality</strong></td>
<td>Relatively little</td>
<td>Some to extensive</td>
<td>High mathematical content</td>
</tr>
<tr>
<td><strong>Data</strong></td>
<td>Literature review, expert survey, focus groups, in-depth interviews, projective techniques</td>
<td>Literature review, surveys, observation, panels</td>
<td>Literature review, expert survey, experiments, (survey, observation)</td>
</tr>
<tr>
<td><strong>Sample size</strong></td>
<td>Small</td>
<td>Small to large</td>
<td>Large</td>
</tr>
<tr>
<td><strong>Questions types</strong></td>
<td>Probing, response driven</td>
<td>Some probing, interviewer driven</td>
<td>No probing</td>
</tr>
<tr>
<td><strong>Hypothesis</strong></td>
<td>Generates, develops</td>
<td>Tests and/or generates, develops</td>
<td>Tests</td>
</tr>
</tbody>
</table>

Source: Domegan and Fleming (2003, p.66)

In accordance with this table, the paper is based on **descriptive research**: variables, which are the factors influencing WOM, are known and have been documented in the literature. Descriptive studies are used to establish or investigate correlations (Blumberg, Cooper and Schindler, 2011). Based on the literature review, it is the aim of the research to describe and quantify their relationship in relation to pWOM and eWOM with the aid of a questionnaire. The questionnaire is clearly interviewer driven and will be used to test previously formulated hypotheses, albeit with a small sample.

### 3.9. Time Horizon

There are two choices in relation to the time horizon, which are longitudinal or cross-sectional. Longitudinal research is whereby variables or subjects are being studied over a longer time period (Collis and Hussey, 2009).
It is usually associated with a positivist approach; however, due to the time limitations of this study the research time horizon will be cross-sectional. Cross-sectional studies are used to explain how different factors interrelate (Saunders, Lewis and Thornhill, 2012), which in the proposed research will be the relationships between the various factors influencing WOM outcomes and personal and electronic WOM. Also, as pointed out by Saunders, Lewis and Thornhill (2012), cross-sectional research is often used in conjunction with surveys to capture a phenomenon at a certain, short period of time.

As a result the questionnaire was delivered online in July 2015 for the duration of four weeks.

3.10. Secondary Research

Data which was originally collected for a different purpose can be of use for researchers to further analyse the own research topic or provide additional knowledge (Saunders, Lewis and Thornhill, 2012, p. 681). This data is called secondary data.

Information from secondary sources can be very useful as it exists for almost any topic and can give pointers to current trends and issues – at the same time it must be used with caution: validity and quality of the data should be carefully evaluated (Burns and Bush, 2014).

There are different classifications of secondary data; for example in a marketing context Bradley (2010) distinguishes between internal (to an organization) and external secondary data sources. Examples include data related to customer relationship management such as complaints, emails, loyalty programs or sales numbers. External secondary data examples would be government sources, industry sources or academic sources (Bradley, 2010, p. 77-79).

As this paper was conducted for academic purposes, the secondary research focused on (online) academic sources such as EBSCOhost, Emerald Insight, JSTOR, WARC and dawsonera. Access to the academic publications, books, articles and journals contained in these sources was gained through the Dublin Business School online library. Furthermore, the university library was used itself. Information from secondary sources was mainly used to compile a literature review and later as a point of reference and comparison with the research findings.

3.11. Primary Data Collection - Quantitative Approach

Data which is collected specifically for the research project undertaken is called primary data (Saunders, Lewis and Thornhill, 2012, p. 678). Blumberg, Cooper and Schindler (2011) emphasize their belief that there is no better or worse method when it comes to qualitative and quantitative research approaches and there is no such thing as pre-determinants on whether one method is
more appropriate than the other. Many research questions can be answered using a qualitative or quantitative approach, or both. Ultimately, Blumberg, Cooper and Schindler (2011, p. 144) consider the choice of which approach to use an epistemological issue, meaning how the knowledge is acquired. This viewpoint is also shared by Bryman and Bell (2011, p. 29).

For the purpose of this research, the author has chosen a **quantitative approach**. In the strictest sense this approach stands for any type of data collection and analysis that produces or makes use of quantitative (numerical) data (Saunders, Lewis and Thornhill, 2012, p. 161).

Having chosen a quantitative approach in line with the positivist research philosophy to investigate the relationship between the various factors influencing personal and electronic WOM, it is still important to be aware of the advantages and disadvantages associated with this approach in order to sidestep pitfalls where possible.

Lund (2012) ascertains that a qualitative approach is more appropriate for hypothesis testing (rather than generation of the same) and stresses the better generalizability and objectivity over qualitative methods. Yilmaz (2013) details that closed-ended questions and questionnaires allow for statistical comparisons, which is deemed very important in research. Further, this allows for findings to be presented in a succinct and sparing kind of way (Yilmaz, 2013). What follows is that there is a high reliability associated with this approach (Collis and Hussey, 2009, p.64).

On the downside, the quantitative approach has been criticised for not providing enough depth to the search and being the weaker approach in relation to hypothesis generation (Lund, 2012). Another disadvantage is that generally large samples are needed so that findings can be generalized (Yilmaz, 2013), however, the researcher might not always have access to this. In addition, pre-constructed scales and measurement categories which are expected to fit to the experiences and possible answers of the respondents are used in quantitative researches. This may lead to insight into individual’s experiences and personal encounters not being provided. Also, standardized answers do not allow the respondents to use own words to relate emotions or thoughts (Yilmaz, 2013).

Finally, validity may be low as the focus is more on reliability and measurements than capturing the actual phenomena (Yilmaz, 2013; Collis and Hussey, 2009).

### 3.12. Sample

Samples are commonly used in research as it may be impractical, too costly and complex to include the entire population. A population is “a precisely defined body of people or objects under consideration for statistical purposes” (Collis and Hussey, 2009, p. 338). It is only sensible to make a
selection from a well defined population, in order to reduce the risk of wasting time and resources.
For example, it is nonsensical to question people about how they liked a product if the product is
unknown to them and they have never used it.
In sampling, there are two choices: probability and non-probability sampling. For this research it was
decided to use the non-probability method of **convenience sampling** whereby the researcher is free
to choose whoever he/she is able to find (Blumberg, Cooper and Schindler, 2011).
A number of researches suggest that using existing contacts increases the chances to gain access to
participants (Buchanan et al., 1988; Easterby-Smith et al. 2008; Johnson, 1975 as cited in Saunders,
Lewis and Thornhill, 2012). On the other hand, it there is also a real danger of excluding members
from the population and as a result the sample becoming misrepresentative (Burns and Bush, 2014).
Nevertheless, because of the limitations of time and access to a larger population, it was decided to
utilise both the professional and personal network of the researcher in order to maximise the size of
the research sample.
In addition, using a convenience sample can be justified because WOM is an activity that everyone
partakes all the time (Allsop, Bassett and Hoskins, 2007). As a result, WOM can be concluded to be a
universal phenomenon and is therefore applicable to everyone, which in turn decreases the risk of
the sample not being representative.
Consequently, convenience sampling, despite its drawbacks, will be a useful way of sampling as it
does not place restrictions on the population in terms of age, gender, geographics or nationality, and
thus allow for a maximisation of the researcher’s field of access.

### 3.13. Research Ethics

Ethical behaviour is an important part of society and applies to all aspects of life, including the
professional environment. Naturally it should also be applied in any kind of research.
There are several different approaches and viewpoints to ethics, the most prevalent ones being
teleology and deontology (Blumberg, Cooper and Schindler, 2011; Saunders, Lewis and Thornhill,
2012).

The teleological approach argues that predetermined rules should not be the deciding factor for
justifying a code of conduct – on the contrary, if positive outweigh negative consequences, the end
may justify the means (Saunders, Lewis and Thornhill, 2012). In a research context this means that
the benefits of conducting a particular study are weighted against the harm it may do to its
participants (Blumberg, Cooper and Schindler, 2011).

The deontological stance decrees that if the means are unethical they can never be justified by the
ends (Blumberg, Cooper and Schindler, 2011). For example, if results would be skewed due to
experts on the subject matter who are not representative of the general population, care should be taken to exclude these respondents where possible.

Since considering herself to be somewhat idealistic, the researcher identifies most with a deontological view because unethical means should never be justifiably by the ends they serve to achieve.

Generally in every research there are several ethical topics around the anonymity, confidentiality, informed consent and dignity of the participants to be taken into consideration (Collis and Hussey, 2009). For this research the participants were informed about the subject of the study in general terms (“Consumer Information Sources”) while taking care not to create any predispositions. They were advised that participation was voluntary, the emphasis of which the researcher found especially important as the study was conducted in the researcher’s personal field of access. In order to guarantee anonymity the researcher decided not to store any IP addresses that may be used to link back to the respondent. Finally the data obtained was treated in a confidential manner during the process of analysis.

3.14. Research Limitations

Limitations to a research should not be omitted or attempted to be hidden, on the contrary: the disclosure may result in new and improved research approaches in the future (Burns and Bush, 2014).

There are several limitations to this research, most of which were previously touched on.

The sampling method is one limitation, as the sample was a convenience sample from the researcher’s personal and professional field of access. As a result, an overrepresentation in certain demographic categories such as age or occupation may exist. However, it may be argued that this only takes away from the validity of the findings to some extent, because demographics show that respondents had both the financial means (and presumably experience) in making purchases in the area of consumer electronics and are thus deemed relevant and valuable sources of information.

Other limitations found relate to the data collection vehicle. Due to the fact that the IP addresses were not saved in the process of completing the online questionnaire there is a risk of duplicate entries. However, this risk was weighted against a low response rate due to fears of anonymity. Another limitation of the online data collection is that there were unfinished questionnaires. Whilst it was initially thought that 120 responses were obtained, during data analysis it was found that 12 questionnaires were incomplete and consequently excluded. In addition, the questionnaire was
designed for quantitive analysis, where in hindsight some additional qualitative insights by the respondents could have been useful.

Other limitations were related to conducting the research as part of a part-time Master’s program which brought on, for example, certain time restraints.

Despite these limitations the researcher believes that this study is still a valuable piece of research contributing to the general knowledge of the marketing profession and the academic world.
Chapter 4: Data Analysis and Findings

This section of the paper will present the findings obtained from the primary research. As introduced earlier, a questionnaire was distributed online resulting in a total number of 108 completed questionnaires (N=108). The questionnaire consisted of three parts and for the most parts 5-point Likert scales were used to complete the answers.

The first part of this relates to the results from the demographics questions. Next, the findings on the four hypotheses and research question are discussed. Finally, the findings on the additional questions inquiring about general opinions in relation to WOM and the purchase decisions are being addressed.

For the analysis of the data Excel and SPSS were used to compile all tables, figures and calculations.

4.1. Demographics of Respondents

In the following sub-chapters the demographic findings of the research are being presented.

4.1.1. Age Group

More than half of the respondents were in the age group of the 30-44 year old, with the overall age range being 18 to 59 years. There were no respondents unwilling to respond to the age question or in the categories under 18 years and over 75 years.

Figure 4 – Age Group
4.1.2. Gender Distribution

Concerning gender, there was a slightly higher participation of males than females (56 percent vs. 44 percent). There were 61 male respondents over 47 female respondents.

Figure 5 – Gender

4.1.3. Country of Residence

Nearly 90 percent of those that responded indicated their country of residence to be in either Ireland or Germany. Out of these two countries, participants in Ireland outweighed those in Germany with 66 percent over 34 percent.

Figure 6 – Country of Residence
4.1.4. Occupation and Income

Results show that a large part of respondents (89 percent) has got some form of employment, either full-time or part-time. Only three people were unemployed and nine people were students.

Figure 7 – Occupation

Income of the respondents ranged from below 20,000 Euro up to 200,000 Euro. Some respondents did not want to disclose their income (15 percent), and while it would have been possible not to include this option, the researcher wanted to minimize the risk for people abandoning the questionnaire because they did not want their income to be known. Of those that did state their incomes, two-thirds were in the bracket of €20,000 to €49,000 and €50,000 to €99,000.

Figure 8 – Yearly Income
4.2. WOM Factors: Findings

In order to be able to analyse the data and compare personal and electronic WOM, a numerical score was attached to the five point Likert scale (1=Unimportant, 5=Very important). Next, an overall score per WOM factor was calculated by adding the individual scores of one category, for example homophily for personal WOM (e.g. demographics=2, values=3, preferences=2, lifestyle=5 → score: 2+3+2+5=12). This was done both for pWOM and eWOM and finally across all categories for both forms of WOM. As a result the ordinal variables were turned into interval variables on a scale (represented as measure “scale” in SPSS).

Then, as first step of the analysis a descriptive statistics report was run for the minimum, maximum, mean, standard deviation and skewness.

In order to determine the statistical test to be applied and as a second, separate part of the analysis the data was tested for a normal distribution which was not confirmed. Next the scores for pWOM and eWOM in each category were tested for significance against the null-hypothesis \(H_0: \text{pWOM}=\text{eWOM}\) by using the Wilcoxon Signed Rank test at a confidence interval level of 95 percent and significance level set at \(P=0.05\). This signifies probability of 0.05 percent of the result being false, i.e. a 95 percent chance of the result being true. If \(H_0\) was rejected it can be concluded that there is a difference between pWOM and eWOM and that the difference is significant.

Significance is ranked between 0 and 1, with a low score meaning \(H_0\) can be rejected and 1 meaning \(H_0\) being true and thus pWOM equalling eWOM. As the significance level was set at \(P=0.05\) any score above this value will result in \(H_0\) being rejected as arbitrary.

By comparing the means of each category for both eWOM and pWOM from the descriptive data analysis, conclusions can be drawn about which one of the two types of WOM scored higher in importance.

In addition, to visualise the performance of pWOM versus eWOM on the Likert Scale, the mean of each of the five measures of importance was calculated including all components of the respective WOM factor.

4.2.1. Source Credibility (SC)

The descriptive statistics show that the minimum score for \(SC_{eWOM}\) was 4, meaning that at least one person scored \(SC_{eWOM}\) with 1=unimportant for all components of source credibility. The minimum for pWOM was 8. On the maximum, with both \(SC_{pWOM}\) and \(SC_{eWOM}\) at least one person scored 5=very important across all components equalling 20 points. For the statistic mean \(SC_{pWOM}\) scored higher than \(SC_{eWOM}\) with 15.31 over 14.50. The standard deviation (SD) was 2.58 for \(SC_{pWOM}\) and 3.06 for
SC\textsubscript{eWOM}. Distribution of the data was negatively skewed for both types of WOM with a standard error of 0.233.

As a result of the Wilcoxon Signed Rank test the null-hypothesis ($pWOM=eWOM$) was rejected at a significance level set at $P=0.05$ with a significance of 0.003. The SPSS output can be found in Appendix 4.

### Table 2 – Descriptive Statistics Results: Source Credibility

<table>
<thead>
<tr>
<th>Source Credibility – pWOM (SC\textsubscript{pWOM})</th>
<th>Minimum (\text{(actual)})</th>
<th>Maximum (\text{(actual)})</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source Credibility – eWOM (SC\textsubscript{eWOM})</td>
<td>8.00</td>
<td>20.00</td>
<td>15.3148</td>
<td>2.58554</td>
<td>-.468</td>
<td>.233</td>
</tr>
<tr>
<td>4 components</td>
<td>4.00</td>
<td>20.00</td>
<td>14.5093</td>
<td>3.06775</td>
<td>-1.161</td>
<td>.233</td>
</tr>
</tbody>
</table>

Figure 9 shows that SC scored particularly high at the upper end of the importance scale with 42.6 percent of respondents rating SC\textsubscript{pWOM} as important and 27.8 percent as very important. This compares to 29.2 percent (important) and 35.6 percent (very important) for SC\textsubscript{eWOM}. On the lower end of the importance scale 14.4 percent found SC\textsubscript{eWOM} to be unimportant over 4.4 percent for SC\textsubscript{pWOM}.

### Figure 9 – Source Credibility: pWOM vs. eWOM

4.2.2. Argument Strength (AS)

The statistical results table shows that the minimum for $AS_{pWOM}$ was rated at 6 points, whereas for $AS_{eWOM}$ it was rated at 4 points. The maximum was 20 points for both personal and electronic WOM.
for the WOM factor argument strength. There was nearly no difference for the mean, with 15.87 for \(\text{AS}_{pWOM}\) and 15.85 for \(\text{AS}_{eWOM}\). SD was higher for \(\text{AS}_{eWOM}\) with 3.25 over 2.69 for \(\text{AS}_{pWOM}\). The data was similarly skewed at a negative value.

The results of the Wilcoxon Signed Rank test show that there is proof for \(H_0\) to be retained at a 95 percent confidence interval level with a significance of 0.869. The SPSS output can be found in Appendix 5.

**Table 3 – Descriptive Statistics Results: Argument Strength**

<table>
<thead>
<tr>
<th></th>
<th>Minimum (actual)</th>
<th>Maximum (actual)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argument Strength – pWOM (AS\text{pWOM})</td>
<td>6.00</td>
<td>20.00</td>
<td>15.8704</td>
<td>2.69681</td>
<td>-0.859</td>
</tr>
<tr>
<td>Argument Strength – eWOM (AS\text{eWOM})</td>
<td>4.00</td>
<td>20.00</td>
<td>15.8519</td>
<td>3.25495</td>
<td>-0.897</td>
</tr>
</tbody>
</table>

In percentage terms both pWOM and eWOM scored high on the upper range of the Likert scale. A total of 75.2 percent consider \(\text{AS}_{pWOM}\) to be either important or very important. For \(\text{AS}_{eWOM}\) a total of 73.6 percent think it is important or very important. As a result the scores on the lower end are very low with only 2.8 percent finding \(\text{AS}_{pWOM}\) to be unimportant compared to 4.4 percent for \(\text{AS}_{eWOM}\).

**Figure 10 – Argument Strength: pWOM vs. eWOM**

**4.2.3. Homophily (HO)**

The minimum for both \(\text{HO}_{pWOM}\) and \(\text{HO}_{eWOM}\) were found to be 4 points. The maximum differs with 19 points for \(\text{HO}_{pWOM}\) and 20 points for \(\text{HO}_{eWOM}\). The mean was also found to differ with 2.120 points.
(HO<sub>pwOM</sub> > HO<sub>ewOM</sub>). In relation to the standard deviation HO<sub>pwOM</sub> measures 3.48 and HO<sub>ewOM</sub> is 4.19. Data is skewed negatively for HO<sub>pwOM</sub> and positive for HO<sub>ewOM</sub>.

H<sub>0</sub> was rejected with a significance of zero at the set significance level of P=0.05. Appendix 6 contains the SPSS output.

**Table 4 – Descriptive Statistics Results: Homophily**

<table>
<thead>
<tr>
<th></th>
<th>Minimum (actual)</th>
<th>Maximum (actual)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homophily – pWOM (HO&lt;sub&gt;pWOM&lt;/sub&gt;)</td>
<td>4.00</td>
<td>19.00</td>
<td>12.9630</td>
<td>3.48005</td>
<td>-0.713</td>
</tr>
<tr>
<td>Homophily – eWOM (HO&lt;sub&gt;ewOM&lt;/sub&gt;)</td>
<td>4.00</td>
<td>20.00</td>
<td>10.8426</td>
<td>4.19426</td>
<td>0.121</td>
</tr>
</tbody>
</table>

4 components

5-point Likert Scale: 1=unimportant, 5=very important  N=108

Figure 11 shows that few respondents agreed with homophily being very important for HO<sub>pwOM</sub> and HO<sub>ewOM</sub> (9.5 and 6.9 percent respectively). However, 39.1 percent agreed that HO<sub>pwOM</sub> was important, which is nearly twice as much as for HO<sub>ewOM</sub> (21.1 percent). In comparison to argument strength, homophily scored much higher on the lower end of the Likert Scale.

**Figure 11 – Homophily: pWOM vs. eWOM**

4.2.4. Tie Strength (TS)

Unlike the other WOM factors tie strength consists of three components, therefore the minimum score is 3, which was the actual score for both TS<sub>pWOM</sub> and TS<sub>eWOM</sub>. The maximum score is consequently 15, which again was the actual score for both types of WOM. The statistical mean was found to be 9.61 for TS<sub>pWOM</sub> and 7.68 for TS<sub>eWOM</sub>. For the standard distribution TS<sub>eWOM</sub> scored higher.
at 3.28 and $TS_{pWOM}$ at 2.93. The skewness was negative for $TS_{pWOM}$ at minus 0.47 and positive for $TS_{eWOM}$ at 0.18.

The null-hypothesis was once again rejected at a significance of zero, confidence interval level remaining set for 95 percent (see Appendix 7 for SPSS output).

**Table 5 – Descriptive Statistics Results: Tie Strength**

<table>
<thead>
<tr>
<th></th>
<th>Minimum (actual)</th>
<th>Maximum (actual)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tie Strength – pWOM (TS_{pWOM})</td>
<td>3.00</td>
<td>15.00</td>
<td>9.6111</td>
<td>2.92534</td>
<td>-0.470</td>
</tr>
<tr>
<td>Tie Strength – eWOM (TS_{eWOM})</td>
<td>5.00</td>
<td>15.00</td>
<td>7.6852</td>
<td>3.28506</td>
<td>0.188</td>
</tr>
<tr>
<td>3 components</td>
<td></td>
<td></td>
<td>9.0%</td>
<td>1.5%</td>
<td></td>
</tr>
</tbody>
</table>

The bar chart (Figure 12) shows that a total of 42 percent of respondents found TS to be important or very important for pWOM versus 28.8 percent for eWOM. Furthermore it is apparent that also on the moderately important dimension pWOM scored much higher than eWOM with a difference of 15.4 points. On the other end, a total of 54 percent consider TS as unimportant or of little importance for eWOM versus 25.3 percent who consider this to be true for pWOM.

**Figure 12 – Tie Strength: pWOM vs. eWOM**
4.2.5. Research Question Findings

The following graph shows the scores accumulated over all WOM factors and their components for both pWOM and eWOM, thus allowing to directly compare and contrast the two forms of WOM.

Table 6 – Descriptive Statistics Results: pWOM and eWOM in Comparison

<table>
<thead>
<tr>
<th>Minimum (actual)</th>
<th>Maximum (actual)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Statistic</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statistic</td>
<td>Statistic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>pWOM – TOTAL</td>
<td>30.00</td>
<td>68.00</td>
<td>52.793</td>
<td>8.4135</td>
<td>-0.956</td>
<td>.233</td>
</tr>
<tr>
<td>eWOM – TOTAL</td>
<td>15.00</td>
<td>69.00</td>
<td>48.8889</td>
<td>9.25175</td>
<td>-0.510</td>
<td>.233</td>
</tr>
</tbody>
</table>

The overall number of the components of SC, AS, HO and TS is 15. For this reason, the lowest score anyone could give is $15 \times 1 = 15$, which was indeed the case for eWOM. The minimum for pWOM was 30 points. The maximum scores were 68 and 69 for pWOM and eWOM respectively. The mean was higher for pWOM at 52.75 over 48.88 for eWOM. Standard deviation was calculated at 8.41 for pWOM and 9.25 for eWOM.

Both pWOM and eWOM is negatively skewed at -0.95 and -0.51.

The null hypothesis was rejected at a significance of zero (see Appendix 8).

Cognitive WOM Factors

As part of the S-O-R model review in the literature review it was established that cognition and affect play an important role. The following table shows the descriptive statistics combining the two cognitive WOM factors source credibility and argument strength.

Table 7 – Descriptive Statistics: Cognitive WOM Factors

<table>
<thead>
<tr>
<th>Minimum (actual)</th>
<th>Maximum (actual)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Statistic</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statistic</td>
<td>Statistic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cognitive factors – pWOM</td>
<td>16.00</td>
<td>39.00</td>
<td>31.1852</td>
<td>4.36457</td>
<td>-0.936</td>
<td>.233</td>
</tr>
<tr>
<td>Cognitive factors – eWOM</td>
<td>8.00</td>
<td>40.00</td>
<td>30.3611</td>
<td>5.20865</td>
<td>-1.418</td>
<td>.233</td>
</tr>
</tbody>
</table>

The minimum score possible with 8 components for the two cognitive factors was 8, however, the actual minimum score given out by participants was 16 for pWOM. In contrast the actual minimum score of eWOM equals the lowest possible minimum score. The highest possible score equals the actual maximum score for eWOM. Personal WOM scored one point below that with 39 points. Comparing the means, pWOM was higher with 31.18 over 30.36 for eWOM. SD was 4.36 (pWOM) and 5.20 (eWOM). Both forms of WOM are displaying a negative skewness.
For the combined cognitive WOM factors the Wilcoxon Signed Rank confirmed $H_0$ to be true at a 95 percent certainty and with a significance of 0.055 which is just above the significance level $P=0.05$ (see Appendix 9).

**Affective WOM Factors**

The following table shows the descriptive statistics combining the two WOM factors linked to affect: homophily and tie strength.

**Table 8 – Descriptive Statistics: Affective WOM Factors**

<table>
<thead>
<tr>
<th></th>
<th>Minimum (actual)</th>
<th>Maximum (actual)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective factors – pWOM</td>
<td>9.00</td>
<td>32.00</td>
<td>22.5741</td>
<td>5.35681</td>
<td>-0.672</td>
<td>-0.233</td>
</tr>
<tr>
<td>Affective factors – eWOM</td>
<td>7.00</td>
<td>34.00</td>
<td>18.5278</td>
<td>6.19535</td>
<td>0.046</td>
<td>0.233</td>
</tr>
</tbody>
</table>

| 7 components         | 5-point Likert Scale: 1=unimportant, 5=very important | N=108  |

The descriptive statistics table shows an actual minimum for pWOM of 9 points over 7 points for eWOM (lowest possible minimum = 7). A maximum of 34 points was given by respondents to eWOM for both affective WOM factors and 32 to pWOM (highest possible maximum score = 35). The statistic mean and standard deviation are higher for pWOM at 22.57 and 5.35 respectively. Data distribution of pWOM is negative in relation to the mean and positive for eWOM.

$H_0$ was not confirmed for the affective WOM category with a 95 percent certainty of being true and a significance of zero (see Appendix 10).
4.3. Additional Findings

A number of questions were designed to retrieve more general insights into information search behaviour and the purchasing process, and were based on the proven positive relationship between the level of involvement and WOM information search (Dichter, 1966; Cole et al., 2011; Sundaram, Mitra and Webster, 1998).

4.3.1. Time Spent on Information Search

First, respondents were asked to rate on a Likert scale whether or not they agreed to the statement that they would spend a lot of time researching consumer electronics products before a purchase. The results show that 78 percent either strongly agree or agree to the above statement, and 20 percent neither agreed nor disagreed.

Figure 13 – Time Spent on Information Search

![Pie chart showing the distribution of responses to the statement about time spent on research before purchase.]

Respondent spends a lot of time with research before purchase

- Strongly Agree: 43%
- Agree: 35%
- Neither Agree nor Disagree: 20%
- Disagree: 2%
- Strongly Disagree: 0%
4.3.2. Cost of Purchase and Time Invested in Information Search

For this question the same principle (positive relationship between level of involvement and WOM information search) was applied. Respondents were asked to indicate their scale of agreement on the following statement: “The higher the cost of the consumer electronics product, the more time I will invest in finding information about the product.”

The results show support of this statement with 90 percent of the respondents strongly agreeing or agreeing. There was five percent that did not have an opinion on the matter and another five percent that did not agree or strongly disagreed.

Figure 14 – Time Spent on Information Search vs. Cost of Good

Respondent will spend more time in product research the higher the cost of the good

- Strongly Agree: 54%
- Agree: 36%
- Neither Agree or Disagree: 5%
- Disagree: 4%
- Strongly Disagree: 1%
4.3.3. Importance of Informed Decision Making

For the following part respondents were asked to rate the importance of informed decision making when buying consumer electronics.

The findings indicate that 90 percent of the population find making an informed decision when buying consumer electronics as very important or important. Nine percent perceive the matter to be moderately important and one percent of little importance.

Figure 15 – Importance of an Informed Decision

![Importance of making an informed decision](image-url)
4.3.4. Likeliness of an Impulse Purchase

Respondents were consequently asked to rate the likeliness of making an impulse purchase in the area of consumer electronics, whereby 47 percent found this to be unlikely or very unlikely. However, there are also 35 percent of respondents who find it moderately likely to make an impulse purchase. A further 15 percent found this likely and 3 percent very likely.

Speculation that there might be a positive relationship between the likeliness of an impulse buy and the level of income could not be confirmed (see Appendix 11).

Figure 16 – Likeliness of Impulse Purchase

![Likelihood of an impulse purchase](chart.png)
4.3.5. Perceived Credibility and Importance of WOM

For the final question of the section respondents were asked to rate personal and electronic WOM in relation to credibility and importance. In terms of credibility the scales were rather even with 52 respondents voting for pWOM and 50 respondents voting for eWOM. Of those that picked “other”, some indicated that they find both equally credible (see Appendix 12).

In terms of importance, 52 percent indicated that they found eWOM more important than pWOM, while 44 percent thought the opposite and four percent selected “other”. Again some indicated that both are important because “this will give a better view [and] understanding”.

Figure 17 – Credibility and Importance of WOM

When buying consumer electronics, which information source do you generally consider more CREDIBLE?

When buying consumer electronics, which information source do you generally consider more IMPORTANT?
Chapter 5: Discussion

The following chapter reviews the research findings in relation to the proposed hypotheses and the research question while tying in the results with existing literature. The last section covers additional observations.

5.1. Hypotheses and Research Question

5.1.1. Source Credibility

The objective for source credibility was to examine SC in relation to source expertise and source credibility. In order to do so, each was subdivided into their characteristics (“components”): convincing knowledge, convincing experience, caring for the other person and seeking the advantage for the other person (Dichter, 1966). The first two relate to source expertise, the latter two to opinion leadership – which were both established as parts of source credibility (Dichter, 1966, Arndt, 1967; Sweeney, Soutar and Mazzarol, 2008; Cheung and Thadani, 2010; Cole et al., 2011; Chan and Ngai, 2011; Barreto, 2013). On this basis questions were formulated for the questionnaire and the respondents were asked to rate the importance for both eWOM and pWOM.

This was undertaken in an attempt to confirm **H1a: SC is perceived to be significantly more important for eWOM than pWOM.**

By disproving $H_0$ (eWOM=pWOM) at a 0.003 significance it follows that pWOM and eWOM differ significantly. In contrast to what is expected by H1a the descriptive statistics show that the mean for pWOM is higher than eWOM (15.3 versus 14.5). It must therefore be concluded that pWOM is considered significantly more important than eWOM, thus rejecting H1a and suggesting for the opposite to be true.

As there was only one research paper found by Brown, Broderick and Lee (2007) which investigated source credibility in relation to online and offline environment (but did not come to a conclusion on to whether it was more or less important to the online context) it proved difficult to directly relate this result to previous findings. In such a situation the research would possibly have benefitted from additional qualitative questions or a mixed methods approach as suggested by Chan and Ngai (2011), which could have provided insights to relate to existing literature.

Comparing the maximum and the mean it must be noted that even though pWOM rated more important than eWOM at a significant level, both forms of WOM appear to be of importance which in turn implies that source credibility in itself exerts a strong influence on WOM.
This can be more easily seen when dividing the means by the number of SC components. On the chosen 5-point scale (1=unimportant, 5=very important) this results in an average of 3.82 and 3.62 for eWOM and pWOM respectively for source credibility.

Even though not directly comparable, the high importance which was attributed to source credibility in relation to WOM is a common theme in the literature. It is in line with findings by Alsop, Bassett and Hoskins (2007), who compared various sources of information and found that WOM ranked highest both in terms of credibility and being influential.

The general importance of also SC is in line with findings by Fang (2014), Chih et al. (2013) and Cheung et al. (2009) who confirmed that SC is important in evaluating electronic WOM and positively influences the perceived electronic WOM credibility.

5.1.2. Argument Strength

In accordance with the definition of Cheung et al. (2009) the objective for this WOM factor was to test the importance of AS for pWOM and eWOM in relation to the persuasiveness and validity of the argument. For this section, respondents were asked to rate the importance of an argument being convincing and being delivered in a convincing manner (persuasiveness), and to have valid reasoning and being logical (validity). This was done both for pWOM and eWOM in order to prove H1b: AS is perceived to be significantly more important for eWOM than pWOM.

For this WOM factor $H_0$ could not be rejected, meaning that there was no significant difference found between pWOM and eWOM, suggesting that both forms of WOM are in fact similarly important. This is in contrast to $H_1b$, which thus had to be rejected.

In support of this result when reviewing the descriptive statistics (Table 3) and also the visual comparison of pWOM and eWOM in Figure 10 it becomes apparent how similar the two forms of WOM were rated by the respondents. In addition, it must be pointed out that with a mean of 15.87 (pWOM) and 15.85 (eWOM) which translates into an average rating of 3.967 and 3.962 respectively on a 5-point scale (1=unimportant, 5=very important), argument strength appears to be an important influencer of WOM in general.

This is in agreement with Sweeney, Soutar and Mazzarol (2008) who found strong support that the power and the strength of the message will have an impact on WOM.

Fang’s (2014) findings report that argument strength is the most influential force on the perceived credibility of eWOM. This is also supported by this research as results show that AS is scored
highest compared to all other eWOM categories with an average score of 3.962. Again, to gain a
deep insight, some additional qualitative information would have been useful here.

5.1.3. Homophily
Supported by its definition in the literature as per Gilly et al. (1998), the WOM factor homophily was subdivided into demographics, values, preferences and lifestyle. The objective was to examine the importance of HO for pWOM and eWOM in relation to those factors. In accordance, respondents were asked to rate the importance for said factors for a personal or non-personal information source in order to prove **H2a: HO is perceived to be significantly more important for pWOM than eWOM.**

The Wilcoxon Signed Rank test resulted in **H0** (pWOM=eWOM) being rejected with a result of zero at a chance of 95 percent of being true. This means that there is a significant difference between pWOM and eWOM. To see which one is more important the statistical means of Table 4 are compared and it can be seen that pWOM exceeds eWOM with 12.6 versus 10.8 points. As a result H2a can be accepted as true.

This is congruent with findings by Brown, Broderick and Lee (2007). They report that their “findings suggest that homophily of an interpersonal relationship, as based on an evaluation of individual characteristics, is not particularly relevant in an online context” (Brown, Broderick and Lee, 2007, p. 9). Instead it was found that the shared interests and mindset of the group of a particular website were the drivers of homophily online.

Overall it can be asserted that the WOM factor homophily only has a moderate importance, as on average respondents rated its importance at 3.24 (pWOM) and 2.71 (eWOM) on the chosen 5-point scale (1=unimportant, 5=very important).

Brown and Reingen (1987) found that homophilious ties are more likely to be consulted but did not necessarily exert a higher degree of influence (based on demographic similarities only) while Gilly et al. (1998) found that when including perceptual factors such as values, preferences and lifestyle, HO showed a strong relationship with WOM influence. In an online context, Steffes and Burgee (2009) found that homophilic sources of information are both more likely to be chosen as a point of reference and also considered more influential. Unfortunately, all these findings do not allow for conclusions on the relative importance of homophily as a WOM influencing factor as such.

5.1.4. Tie Strength
In line with the definitions of Steffes and Burgee (2009) and Granovetter (1973) attributes related to the WOM factor tie strength were found to be level of intensity, intimacy and amount of time spent.
It was the objective to find out the importance of TS in relation to those components and consequently respondents were asked to rate the importance of the tie strength components for both personal and electronic WOM. This was done to prove H2b: **TS is perceived to be significantly more important for pWOM than eWOM.**

Again, $H_0$ was disproved with a significance of zero, which means with a probability of 95 percent a significant difference between the two forms of WOM. The statistical mean shows (Table 5) that with a difference of 1.9 points pWOM is rated higher than eWOM (9.21 vs. 7.68) thus confirming the hypothesis of pWOM being considered significantly more important.

This is in line with Brown, Broderick and Lee (2007, p. 11) whose findings strongly support the notion that tie strength in the traditional sense of a person-to-person relationship is more relevant in an offline than online environment.

Similarly, Steffes and Burgee (2009) could not support their hypotheses that in an online environment, strong ties would be preferred as an information source and would be perceived as more influential. They conclude that in an online context “I do not need to know you on a personal level to believe your input or value your opinion” (Steffes and Burgee, 2009, p. 56).

In general terms the findings of this research suggest that the WOM factor tie strength does not seem to be of particular importance with averages of pWOM and eWOM rating 3.07 and 2.56 respectively on the chosen 5-point scale (1=unimportant, 5=very important).

In the literature, there are similar findings related to this claim. Bansal and Voyer (2000) found little support that subjects were more receptive to WOM when there was a stronger relationship.

This can be interpreted as in that ties strength may overall not have a great influence on WOM – or to be of moderate importance, as it was found in this research.

**5.1.5. Research Question Answered**

The research was conducted in order to “directly compare and contrast the two forms of WOM [pWOM and eWOM] in relation to a chosen number of WOM factors and applying them to the product area of consumer electronics”.

The research question was thus formulated in accordance:

**In the area of consumer electronics, how do personal and electronic WOM compare in terms of cognitive and affective factors impacting WOM?**
When testing $H_0$ for total pWOM and eWOM it was found that the two forms of WOM differed significantly. The statistic means from Table 6 show that taking all four WOM factors into consideration it is pWOM which is considered as significantly more important.

This is in line with the study of Keller and Fay (2012), which found that only ten percent of consumer conversations regarding brands happen online, whereas 75 percent are face to face, and another 15 percent on the telephone and whereby it can be concluded that personal WOM generally plays a bigger role – also in terms of importance. Similarly, it confirms findings by Nielsen (2009) which detail that the most trusted communication channel is recommendation from peers, which nine out of ten respondents worldwide trust “completely” or “somewhat”.

For this reason the researcher supports a continued differentiation of the two phenomena, which is in contrast to Barreto’s recommendation to treat both pWOM and eWOM as if they were complimenting each other and should – upon a review of existing definitions – be simply called Word-of-Mouth (Barreto, 2013).

Reviewing the cognitive and affective dimension of the WOM factors it was interesting to see that even though overall pWOM was considered more important than eWOM, the same cannot be said in relation to the cognitive factors influencing WOM. Here $H_0$ was retained and no differences about the importance of one form or the other could be proven. It may be hypothesised that due to the impersonal nature of the eWOM, participants consider cognitive cues as particularly important so that overall both pWOM and eWOM become similarly important. Especially in the online context the above average importance of both source credibility and argument strength found in this research is in line with findings by Cheung et al (2009, p. 31) whereby these two factors are the “most significant of the numerous informational factors” and thus consistent with several earlier researches “in that these two factors are the most dominant factors in the information receiver’s cognitive processes”.

This is not the case for affective WOM factors, where pWOM was found more important than eWOM. Brown, Broderick and Lee (2007) who as compared both online and offline homophily and tie strength came to the conclusion that these two factors play less of an importance in an online environment which is in agreement with this research’s findings.

5.2. Further Observations

Several questions were included to test prevalent principles in WOM literature and were confirmed as expected. Nearly 80 percent of respondents agreed or strongly agreed that they would spend a lot of time researching consumer electronics before the purchase. This is in line with previous
researches that found consumer electronics to be high involvement goods due to their complexity and price, which will elicit an increased information search by the consumer (Alsop, Bassett and Hoskins, 2007; Rieger, 2007; Kotler and Armstrong, 2012; Dichter, 1966; Cole et al., 2011; Sundaram, Mitra and Webster, 1998; Arndt, 1967). Based on the same principle 90 percent of the respondents strongly agreed or agreed that they would spend an increasing amount of time in research the higher the cost of the consumer electronics product.

This is in line with the Consumer Barometer Survey 2014 / 2015 by Google which found that almost half of European consumers started their information search on laptops, tablets, mobile phones and televisions several weeks, months or more before the purchase. Another 16 percent started searching for information days beforehand, and 27 percent hours or moments before the purchase. Five percent of consumers said they didn’t collect any information at all (Consumer Barometer, no date).

Generally, consumers also agreed that an informed decision was important when buying consumer electronics.

However, it was interesting to see that despite considering informed decision making as important or very important (90 percent!) and regardless of their income levels, consumers are still willing to make and impulse buy even if the good is complex and expensive. Since over half of the respondents found this to be moderately likely to very likely it would be interesting to find out in which situations prospects would consider an impulse purchase and if this decision is based purely on price or if other factors also play a role.

Also, when asked directly which form of WOM they considered to be more important for consumer electronics, respondents indicated that they found eWOM more important than pWOM (56 percent versus 48 percent). This is in contrast to the overall results of the study, which stipulate that pWOM is significantly more important than eWOM. The finding indicates that even though there is a prevalence of personal WOM when probing more deeply, subjectively respondents considered online information sources as more important.

It could be speculated that this is due to the product in question. It seems that consumer electronics are products where online portals with expert opinions are considered more valuable (and possibly credible?) than personal experience reports from family or friends.

Finally, care needs to be taken when generalizing the findings above. As can be seen from the age distribution, income and occupational status, due to the sampling method used, some groups appear to be overrepresented in the sample.
Chapter 6: Conclusions and Recommendations

As a result of the limited literature available investigating both electronic and personal WOM importance in relation to WOM influencing factors, this research provides some valuable, unprecedented insights into consumers’ prevalence of either of the two forms of WOM. The research is supported by the S-O-R paradigm, which provided the theoretical framework and allowed for creating a wholistic picture by incorporating cognition and affect into the research model.

In accordance with Brown, Broderick and Lee (2007) it was shown that in terms of affective influencers eWOM was less significant than for pWOM. Moreover, affective WOM factors generally were not considered of particular importance by respondents. In relation to cognitive factors WOM scored higher on the importance scale in general, however, neither a prevalence for eWOM nor for pWOM could be established.

This suggests that for consumer electronics products prospects are placing a higher value on cognitive cues than on affective cues when researching a product by the means of an impersonal, online information source. It also shows that when it comes to some cognitive cues, consumers do not differentiate greatly between eWOM and pWOM but find them similarly important.

It may be speculated that because consumer electronics have a high degree of complexity, may be risky and are often expensive, cognitive influencing factors for eWOM such as argument strength and source credibility become especially important.

Findings also showed than when including all WOM factors of this research (source credibility, argument strength, homophily and tie strength) pWOM is considered significantly more important than eWOM, even for a product category such as consumer electronics where product attributes are complex and might be expected to be more frequently researched online.

In addition to these findings Keller and Fay (2012) found that only a small fraction of WOM happens online. For this reason the researcher would urge both practitioners and academics to take on a wholistic viewpoint that takes both eWOM and pWOM into account rather than focusing on the electronic dimension of WOM only.

6.1. Implications for Practitioners

Since source credibility and argument strength were generally found to be important WOM influencers (the latter being equally important for both pWOM and eWOM) is was shown that
cognitive cues are especially important for the area of consumer electronics. In addition, affective clues were concluded to be less influential on WOM and especially in relation to eWOM.

For this reason the researcher suggests that when promoting consumer electronics, besides a wholistic approach aiming to generate both eWOM and pWOM, marketing activities should help to make the dispersion of the WOM as easy as possible in terms of source credibility and argument strength, by for example making complex products easy to understand and convey, or product feature information readily available.

This is supported by Fulgioni and Lipsman (2015) who promote the idea of online content being amplified in an offline environment.

Finally, marketers should try to further investigate and take advantage of the fact that half of the respondents found it moderately to very likely to make an impulse buy. For example, if price would turn out to play a major role, promotional activities such as point of sale discounting and/or financing deals could be used to stimulate impulse buying behaviour.

6.2. Recommendations for Further Research

Despite the fact that this research strived for as much a wholistic and rounded approach as possible, there are several areas that were not included for reasons of scope.

For example, the impact of WOM valence (i.e. positive, neutral or negative WOM) was not included in the investigation. The product range was limited to consumer electronics and may be expanded or changed. Also, as suggested by Hovland and Weiss (1951) pre-disposition plays a role in how WOM is perceived and would make for an interesting expansion of the research. Furthermore, the impact of eWOM and pWOM importance on the WOM outcomes has not been touched upon by this research. In addition, as this research only concentrated on four of the many existing WOM factors, it would be interesting to see how much of an impact other WOM factors have on perceived pWOM and eWOM importance.

Lastly, future research might strive to eliminate some of the limitations faced by this research related to sample size, sampling method and timing. Most importantly, however, in line with Chan and Ngai (2011) the researcher recommends that future investigations should be based on a mixed method approach including both qualitative and quantitative methods of data collection so that deeper insights may be gained on why respondents consider one form of WOM more important that the other.
Chapter 7: Self-Reflection

The Master’s program is an intense experience, especially when conducted in a part-time program. At the same time it has the advantage of applying newfound knowledge in one’s profession in real time.

This final piece of the dissertation first gives an insight into several learning style theories before reflecting on both the learning experiences during the dissertation process and of the Master’s program as a whole.

7.1. Learning Style Theories

While it is impossible to estimate exactly how many different learning style models exist, academics agree that there are thousands of articles and papers written on the matter (Kolb, 1984; Moon, 1999; Coffield et al., 2004; Pashler et al. 2008). A systematic review of the literature by Coffield et al. (2004) identified 71 models, and this literature review is now already over ten years old – which makes it safe to assume that many more have been established in the meanwhile.

The concept of learning styles promotes the view that people have different ways of learning and processing information (Pashler et al., 2008). One of the often cited earlier models is that of David Kolb (see Figure 18). He defines learning as “the process whereby knowledge is created through the transformation of experience” (Kolb, 1984, p. 38). His model stresses the importance of the process aspect of the model, the fact that it is a constant continuum and that learning is both a subjective and objective transformation of experiences (Kolb, 1984).

Figure 18 – Kolb’s Learning Styles Simplified

![Kolb’s Learning Styles Simplified](image)

Source: Moon (1999, p. 25)
Another popular concept is the Learning Styles Questionnaire (LSQ) of Honey and Mumford from 1992 (Coffield et al., 2004; Pashler et al. 2008). Similarly to Kolb the model consists of four components and builds on previous models by Lewin, Piaget and Kolb (Swailes and Senior, 1999). The four components are depicted in Figure 19.

Figure 19 – The Honey and Mumford Learning Cycle

Honey and Mumford introduced a new way of measuring learning styles, which they proposed to be especially applicable in a business and management context (Swailes and Senior, 1999; Mumford, 1995). Even though the model is heavily criticised in the literature for being unclear and its theory finding little support in research findings, it is agreed that the model made a valuable contribution to the field of learning styles and promoted awareness that people have different ways of learning (Caple and Martin, 1994; Swailes and Senior, 1999). Moreover, based on Honey and Mumford’s LQS Penger and Tekavčič (2009) argue that knowing one’s learning style will increase the likeliness for students to choose the appropriate strategy for a certain chore.

Honey and Mumford have detailed four styles of learning: the reflector, the theorist, the activist and the pragmatist. Appendix 13 gives an overview of the characteristics of said learning styles.

During an earlier module of the Master’s course called Personal and Professional Development the researcher did the LSQ and results showed a very strong preference for the theorist learning style and a strong preference for the reflector, which, according to notes taken at the time is the most common combination.
7.2. Master’s Program Learning Experience

The learning experience during the Master’s program was different from the Bachelor’s studies in that the researcher found progress much more constant. Both studies were done as part of a part-time program; however, as the Master’s program primarily utilised ongoing group and individual assignments during the semester, the learning process was much more gradual and consistent over time.

Having semesters rather than a full year and adding the part-time factor, the Master’s course was a very intense period of constant studying, but at the same time it was found more rewarding. The learning spikes (especially for the final exams) of the Bachelor program focused on memorizing and reiterating content, whereas the Master’s course demanded a deeper understanding and more academic approach which not only prepared the researcher for the dissertation but also allowed to take away knowledge which could be applied in one’s professional environment and will last a lifetime.

This was also aided by exercises of self-reflection which were part of the course, for example during the Personal and Professional Development module. As learning is a constant progress, the researcher agrees that continuously self-reflection becomes an important part of one’s own development process.

For example, in December 2013, the motivations and expectations in relation to the Master’s course were recorded by the researcher:

"I am not doing this MBA because I have the expectation to get a much better job or because I am aiming for a specific management role when finishing.

I am doing the MBA, because I am hoping that it will inspire & guide me and will arouse interest in subjects along the way, and through this maybe point me in a certain direction.

I also want to get the qualification out of it, should I need it in the future.

But primarily I went back to studying because I wanted the intellectual stimulation, do something for myself and spend my free time in a more meaningful way. Ultimately, I want to regain a better sense of myself and get to know myself better."

Having now come nearly to the end of this experience, the researcher concludes that by reconnecting with certain subjects there is now a renewed interest in the area of marketing and social media, and after finishing the program the researcher is considering a career change in this direction. In addition, some valuable connections were made with fellow students that may help in this endeavour.

The expectation of being stimulated and advancing by a constructive and meaningful use of free time was fully met. Finally, the goal of learning more about oneself was certainly met by means of self-reflection.
7.3. Dissertation Learning Experience

The dissertation learning experience was much more than the mere writing of the dissertation paper. In hindsight it becomes apparent that, even though not without its problems⁴, it was a process guided by the modules Research Methods I and II that were designed to encourage the researcher to carefully consider and obtain a deep understanding of the chosen research area from which the topic of choice could be derived.

Initially, having worked in multi-cultural environments for many years the researcher was considering a topic related to human resources management and culture. However, with the guidance of the Research Methods lecturer, it was decided not to pursue this area because of its broadness and difficulties to formulate a specific research question. Instead, the researcher focused on the marketing discipline and as part of the purchase decision making process became interested in the Word-of-Mouth paradigm. As Word-of-Mouth has been written about extensively in academic literature, it was a challenge to narrow the topic down to something worth researching. Fortunately, the researcher developed the idea of comparing electronic and personal Word-of-Mouth early on in the process, so that this notion could be investigated accordingly and was finally tied in with the Stimulus-Organism-Response model.

Having completed the exercise, the researcher benefited from a well thought-out research proposal and a very methodical, well-paced approach of the supervisor David Hurley. The regular meetings, thorough explanations and detailed examples provided a sound structural guide for the successful completion of the dissertation. This also helped to manage the time constraints of being a part-time student which were inadvertently encountered by the researcher.

In accordance the following model of Fischer et al. (2007, p. 4) which depicts the process of a Master’s dissertation, was found a good summary and visualisation which the researcher identifies with to a great extent.

⁴ The Master’s program had been the restructured by DBS in the previous year and the researcher was part of the first course that was taught under the new structure.
As a conclusion, the dissertation process was not without its challenges, but with the help of various lecturers, the supervisor and a personal motivation to excel, it can already be declared a success in terms of being a comprehensive learning experience and it will hopefully lead the way to a successful future.

7.4. Skills Reassessment

As introduced earlier, an important part of any learning experience is to assess the personal improvements during that time.

In terms of time management the researcher found that not only is it important to plan ahead in terms of allocating time to certain tasks, but also to be realistic about what can be achieved and most importantly set goals and define what exactly should be achieved. Despite scoring high for the theorist and reflector type of learner, the researcher found that she was at the start lead astray by an activist type of approach that resulted in taking action too quickly, having to come back to structuring the task and thus costing more time. The researcher considers the importance of a structured approach as one of the greatest learnings of the Master’s program.

The course involved many elements of team work, whether in the form of group assignments or in-class exercises and discussions. What struck the researcher the most is what motivated teams with a common end goal can achieve; the dedication, quality of the work and especially the willingness to
help each other to achieve the best result was exceptional. It also gave the researcher a chance to practice not always to take the lead and value the contribution of others, which was a deficiency identified in earlier self-assessment exercises. As a consequence, the researcher saw an improvement of her observation skills and also professional communication skills.

Finally, not being a native English speaker the researcher was able to further improve her language skills, particularly in the areas of understanding and producing academic texts.

7.5. Conclusion

The Master’s program has proven to be a challenging experience but simultaneously also as period of personal growth, self-reflection of strengths and weaknesses, development of skills and a testament of dedication and hard work. All of these elements made it a rewarding learning experience that the researcher is sure to benefit from in the future.
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Bibliography


Stuart Madge, A. (2014) ‘The real winners of the ice-bucket challenge…’, Independent. Available at:


Appendices

Appendix 1 – WOM Factors as Identified in the Literature

Adapted from Cheung and Thadani, (2010, p. 340)

Additional Sources: Chan and Ngai, 2011; Cheung et al., 2009, Mazzarol, Sweeney and Soutar, 2007; Sweeney, Soutar and Mazzarol, 2008; Rieger, 2007; Blazevic et al., 2013; Steffes and Burgee, 2009; Granovetter, 1973; Arndt, 1967; Dichter, 1966; Hovland and Weiss, 1951.
Appendix 2 – Cover Letter

Survey on Consumer Information Sources

Dear All,

As part of my Master’s dissertation at Dublin Business School I am doing a survey on consumers’ utilization of information sources before a purchase.

I would therefore like to ask you to participate in my online survey at

https://www.surveymonkey.com/s/5XLXLLW

The survey will take less than 10 minutes to complete.

Your participation in this study is voluntary and anonymous. No IP addresses will be stored, thus no one will be able to identify you or your answers.

If you have any questions or concerns about the study, please feel free to get in touch.

Thank you in advance for your time and support, I really appreciate it.

Eva Hoehn

Ps: for German participants I have also created a German version at

https://de.surveymonkey.com/s/GBHPPGM

Appendix 3 – Research Questionnaires

English

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Consumers regularly purchase consumer electronics, which are electronic devices that are used for entertainment, communications and office productivity. Examples include televisions, smart phones, laptops or tablets, so depending on your requirements that can be quite an investment.

Consider the following scenario:

You would like to buy a new television/smart phone/laptop/tablet and are looking for information to help you decide which one to buy. You may decide to talk to your friends, family, colleagues or other known acquaintances (personal information sources). You may also decide to consult the internet by looking review websites, forums and expert advice sites (non-personal, online information sources).
1. **For personal information sources** (your friends, family, colleagues or other known acquaintances):

When looking for information on consumer electronics, how important do you consider having

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# Consumer Information Sources - Survey

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* 5. **For personal information sources** (your friends, family, colleagues or other known acquaintances):

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* 6. **For non-personal, online information sources** (review websites, forums and expert advice sites):

When looking for information on consumer electronics, how important do you consider it to be that your information source

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### Consumer Information Sources - Survey

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**7. For personal information sources (your friends, family, colleagues or other known acquaintances):**

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<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

**8. For non-personal, online information sources (review websites, forums and expert advice sites):**

When looking for information on consumer electronics, how important is it for you that

<table>
<thead>
<tr>
<th></th>
<th>Very Important</th>
<th>Important</th>
<th>Moderately Important</th>
<th>Of Little Importance</th>
<th>Unimportant</th>
</tr>
</thead>
<tbody>
<tr>
<td>the argument is convincing?</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>the argument is delivered in a persuasive manner?</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>the argument to have a valid reasoning?</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>the argument is logical?</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>
9. When buying consumer electronics I spend a lot of time researching the products before buying.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10. The higher the cost of the consumer electronics product, the more time I will invest in finding information about the product.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neither Agree Nor Disagree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11. When buying consumer electronics, how important is it for you to make an informed decision?

<table>
<thead>
<tr>
<th>Very Important</th>
<th>Important</th>
<th>Moderately Important</th>
<th>Of Little Importance</th>
<th>Unimportant</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. How likely do you think it is for you to buy consumer electronics on an impulse?

<table>
<thead>
<tr>
<th>Very Likely</th>
<th>Likely</th>
<th>Moderately Likely</th>
<th>Unlikely</th>
<th>Very Unlikely</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

13. When buying consumer electronics, which information source do you generally consider more credible?

If you selected "Other" please specify here

14. When buying consumer electronics, which information source do you generally consider more important?

If you selected "Other" please specify here
15. Please indicate your age group.

16. Please indicate your gender.

17. Please indicate your country of residence.

18. Please indicate your occupation.

19. Please indicate your yearly income.

---

German

Verbraucher Informationsquellen - Umfrage

1. Vorwort

Verbraucher kaufen in regelmäßigen Abständen elektronische Geräte, die zur Unterhaltung, Kommunikation und Büroarbeit dienen, auch Unterhaltungselektronik genannt. Beispiele dafür sind Fernseher, Smart Phones, Laptops oder Tablet PCs; und je nachdem welche Ansprüche man hat, kann ein solcher Kauf eine gewisse Investition darstellen.

Stelle dir das folgende Szenario vor:

Du möchtest dir einen neuen Fernseher/Smart Phone/Laptop/Tablet PC kaufen und suchst nach Informationen, die dir helfen zu entscheiden, welchen du dir schließlich kaufst. Möglicherweise sprichst du mit deinen Freunden, Familie, Kollegen oder Bekannten (persönliche Informationsquellen). Oder vielleicht machst du dich im Internet schlau und schaust dir Bewertungsportale, Foren oder Expertenmeinungsseiten an (unpersönliche, online Informationsquellen).
* 1. **Für persönliche Informationsquellen** (Freunde, Familie, Kollegen oder Bekannte):

Wenn du nach Informationen über Unterhaltungselektronik suchst, wie wichtig ist für dich, dass deine Informationsquelle

<table>
<thead>
<tr>
<th>Zeitraum</th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographien (Alter, Geschlecht, Bildung oder Herkunft) hat?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wertvorstellungen hat?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vorlieben und Abneigungen hat?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lebensstil hat? (&quot;Lifestyle&quot;)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 2. **Für unpersönliche, online Informationsquellen** (Bewertungsportale, Foren oder Expertenmeinungsseiten):

Wenn du nach Informationen über Unterhaltungselektronik suchst, wie wichtig ist für dich, dass deine Informationsquelle

<table>
<thead>
<tr>
<th>Zeitraum</th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographien (Alter, Geschlecht, Bildung oder Herkunft) hat?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wertvorstellungen hat?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vorlieben und Abneigungen hat?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lebensstil hat? (&quot;Lifestyle&quot;)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Verbraucher Informationsquellen - Umfrage

2.

* 3. **Für persönliche Informationsquellen** (Freunde, Familie, Kollegen oder Bekannte):

Wenn du nach Informationen über Unterhaltungselektronik suchst, wie wichtig sind folgende Punkte für dich

<table>
<thead>
<tr>
<th></th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eine enge Beziehung mit der Informationsquelle?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vertrauen in die Informationsquelle?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Häufigkeit der Konsultation der Informationsquelle?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 4. **Für unpersönliche, online Informationsquellen** (Bewertungsportale, Foren oder Expertenmeinungsseiten):

Wenn du nach Informationen über Unterhaltungselektronik suchst, wie wichtig sind folgende Punkte für dich

<table>
<thead>
<tr>
<th></th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eine enge Beziehung mit der Informationsquelle?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vertrauen in die Informationsquelle?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Häufigkeit der Konsultation der Informationsquelle?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Verbraucher Informationsquellen - Umfrage**

3.

* 5. **Für persönliche Informationsquellen (Freunde, Familie, Kollegen oder Bekannte):**

Wenn du nach Informationen über Unterhaltungselektronik suchst, für wie wichtig hältst du, dass

<table>
<thead>
<tr>
<th>deine Informationsquelle ein überzeugendes Wissen über das Produkt an den Tag legt?</th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>deine Informationsquelle überzeugende Erfahrung mit dem Produkt an den Tag legt?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>du deiner informationsquelle am Herzen liegst?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>deine Informationsquelle dir Informationen gibt, die zu deinem (und nicht dem eigenen!) Vorteil sind?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 6. **Für unpersönliche, online Informationsquellen (Bewertungsportale, Foren oder Expertenmeinungsseiten):**

Wenn du nach Informationen über Unterhaltungselektronik suchst, für wie wichtig hältst du, dass

<table>
<thead>
<tr>
<th>deine Informationsquelle ein überzeugendes Wissen über das Produkt an den Tag legt?</th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>deine Informationsquelle überzeugende Erfahrung mit dem Produkt an den Tag legt?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>du deiner informationsquelle am Herzen liegst?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>deine Informationsquelle dir Informationen gibt, die zu deinem (und nicht dem eigenen!) Vorteil sind?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**7. Für persönliche Informationsquellen (Freunde, Familie, Kollegen oder Bekannte):**

Wenn du nach Informationen über Unterhaltungselektronik suchst, wie wichtig ist für dich, dass

<table>
<thead>
<tr>
<th></th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Die Argumentation überzeugend ist?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Die Argumentation auf eine überzeugende Art und Weise vermittelt wird?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Die Argumentation stichhaltige Begründungen beinhaltet?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Die Argumentation logisch ist?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**8. Für unpersönliche, online Informationsquellen (Bewertungsportale, Foren oder Expertenmeinungssiten):**

Wenn du nach Informationen über Unterhaltungselektronik suchst, wie wichtig ist für dich, dass

<table>
<thead>
<tr>
<th></th>
<th>Sehr wichtig</th>
<th>Wichtig</th>
<th>Mäßig wichtig</th>
<th>Wenig wichtig</th>
<th>Unwichtig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Die Argumentation überzeugend ist?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Die Argumentation auf eine überzeugende Art und Weise vermittelt wird?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Die Argumentation stichhaltige Begründungen beinhaltet?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Die Argumentation logisch ist?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Verbraucher Informationsquellen - Umfrage

5.

   Trifft voll und ganz zu  Trifft zu  Trifft teilweise zu  Trifft nicht zu  Trifft gar nicht zu

   Trifft voll und ganz zu  Trifft zu  Trifft teilweise zu  Trifft nicht zu  Trifft gar nicht zu

* 11. Wenn du ein Gerät der Unterhaltungselectronik kaufst, wie wichtig ist es für dich, dass du diesbezüglich eine fundierte Entscheidung triffst?
   Sehr wichtig  Wichtig  Mäßig wichtig  Wenig wichtig  Unwichtig

* 12. Wie wahrscheinlich ist es für dich, einen Impulskauf im Bereich der Unterhaltungselectronik zu tätigen?
   Sehr wahrscheinlich  Wahrscheinlich  Mittelmäßig  Wenig wahrscheinlich  Unwahrscheinlich

* 13. Welche Informationsquelle hältst du generell für glaubwürdiger wenn du ein Gerät aus der Unterhaltungselectronik kaufen möchtest?

Sonstiges (bitte hier angeben)

* 14. Welche Informationsquelle hältst du generell für wichtiger wenn du ein Gerät aus der Unterhaltungselectronik kaufen möchtest?

Sonstiges (bitte hier angeben)
Appendix 4 – SPSS Output Source Credibility

Hypothesis Test Summary

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between Score of Source Credib. - pWOM and Score of Source Credib. - eWOM equals 0.</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>.003</td>
<td>Reject the null hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.
Appendix 5 – SPSS Output Argument Strength

**Hypothesis Test Summary**

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between Score of Arg. Strength - pWOM and Score of</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>.969</td>
<td>Retain the null</td>
</tr>
<tr>
<td>Arg. Strength - eWOM equals 0.</td>
<td></td>
<td></td>
<td>hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.

Appendix 6 – SPSS Output Homophily

**Hypothesis Test Summary**

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between Score of Homophily - pWOM and Score of</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>.000</td>
<td>Reject the null</td>
</tr>
<tr>
<td>Homophily - eWOM equals 0.</td>
<td></td>
<td></td>
<td>hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.

Appendix 7 – SPSS Output Tie Strength

**Hypothesis Test Summary**

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between Score of Tie Strength - pWOM and Score of</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>.000</td>
<td>Reject the null</td>
</tr>
<tr>
<td>Tie Strength - eWOM equals 0.</td>
<td></td>
<td></td>
<td>hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.
Appendix 8 – SPSS Output pWOM and eWOM (all WOM factors)

Hypothesis Test Summary

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between pWOM and eWOM equals 0.</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>0.000</td>
<td>Reject the null hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.

Appendix 9 – SPSS Output Cognitive Factors

Hypothesis Test Summary

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between Score of Cognitive factors - pWOM and Score of Cognitive factors - eWOM equals 0.</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>0.055</td>
<td>Retain the null hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.

Appendix 10 – SPSS Output Affective Factors

Hypothesis Test Summary

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Test</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median of differences between Score of Affective factors - pWOM and Score of Affective factors - eWOM equals 0.</td>
<td>Related-Samples Wilcoxon Signed Rank Test</td>
<td>0.000</td>
<td>Reject the null hypothesis.</td>
</tr>
</tbody>
</table>

Asymptotic significances are displayed. The significance level is .05.
Appendix 11 – Likelihood of Impulse Buy vs. Income Level

![Bar chart](image)

Appendix 12 – Comments on Credibility and Importance of WOM

<table>
<thead>
<tr>
<th>Respondent Answer</th>
<th>Response in free text (translated where applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credibility</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>Personal &amp; Non-Personal as this will give a better view &amp; understanding</td>
</tr>
<tr>
<td>Other</td>
<td>Both are essential, but generally I would inquire from the personal information sources about faults with the products</td>
</tr>
<tr>
<td>Other</td>
<td>A mix of the two</td>
</tr>
<tr>
<td>Other</td>
<td>a mix of both</td>
</tr>
<tr>
<td>pWOM</td>
<td>Stiftung Warentest (=German consumer organisation which investigates and compares goods and services in an unbiased way)</td>
</tr>
<tr>
<td>Other</td>
<td>It varies from case to case</td>
</tr>
<tr>
<td>Other</td>
<td>Cold technical facts always form the manufacturer, usability product documentation and personal documented experiences</td>
</tr>
<tr>
<td>Importance</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>Personal &amp; Non-Personal as this will give a better view &amp; understanding</td>
</tr>
<tr>
<td>eWOM</td>
<td>Usually more knowledgeable</td>
</tr>
<tr>
<td>Other</td>
<td>a mix of both</td>
</tr>
</tbody>
</table>
### Appendix 13 - Honey and Mumford Learning Styles

<table>
<thead>
<tr>
<th>Learning Style</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reflectors</strong></td>
<td>Reflectors are careful individuals that do not quickly jump to conclusions. They prefer to stand back and learn through listening and observation. They are thorough and methodical, but on the downside this can result in them taking a long time to reach a decision. Being thrown into a situation without pre-planning can make the reflector uncomfortable as he generally does not like to take risks.</td>
</tr>
<tr>
<td><strong>Theorists</strong></td>
<td>Theorists have a low tolerance for ambiguity or uncertainty, and they are also unsympathetic to anything subjective or intuitive. They like to understand the bigger picture and therefore are keen to ask probing questions and have a logical, rational approach. Models, principals and theories appeal to the theorist and are what they learn from best. They take away least from unstructured undertakings.</td>
</tr>
<tr>
<td><strong>Activist</strong></td>
<td>Activist have a more flexible approach to learning; they do not mind being thrown into a situation unprepared as they thrive on what they perceive to be a challenge. Because of their open-mindedness and positive approach to change they are quick to take action. On the downside, these actions might not always been thought through until the end and in addition activists have the tendency to take too many risks. Consolidation and longer term implementations tend to bore this type of learners.</td>
</tr>
<tr>
<td><strong>Pragmatists</strong></td>
<td>Pragmatists like to try out ideas, models and concepts in practice, and experiment with and apply things that they have learned. They like to get to the point and have a low tolerance for drivel, but this also means they have a tendency to jump to the first viable solution to a problem. Because of their practical, realistic views pragmatists learn less well from situations that do not have clear guidelines or where there seems to be little applicability to reality.</td>
</tr>
</tbody>
</table>