



# **THE INFLUENCE OF ELECTRONIC WORD-OF-MOUTH COMMUNICATION ON ONLINE CONSUMER BUYING BEHAVIOUR IN SOUTH AFRICA**

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degree of Doctor of Philosophy in Management Sciences  
Specialising in  
Marketing  
in the  
Faculty of Management Sciences  
at the Durban University of Technology

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## **ABSTRACT**

The growth of active users on online interactive media (OIM) platforms has led to the spread of information faster and broader and this has had a great impact on marketers. Consumer behaviour towards Electronic Word of Mouth (e-WOM) is complex, and not all user-generated content posted online will have the same effect on consumers. A consensus on what makes certain online reviews more influential than others and how they influence consumer behaviour is yet to emerge. The lack of knowledge hinders marketers efforts in designing effective marketing strategies for online retailers.

The study was quantitative in nature. Self-administered questionnaires were used to collect primary data. The study targeted Generation Z and millennials, and the sample was drawn from students and staff members at the Durban University of Technology (DUT). The analysis was done using the latest version of the Statistical Package for Social Sciences (SPSS). Relevant ethical implications with regard to this study were considered. The structural equation model (SEM) results indicated that valence is the most influential factor of e-WOM during consumer buying decision. Further, there is a significant relationship between e-WOM and consumer buying behaviour. The study recommends that marketers come up with strategic ways to boost the chances of their brands generating positive e-WOM and take advantage of the influence of any good reviews and testimonials they receive. The need to pay close attention to negative e-WOM, keep an eye on unfavourable evaluations on some of the most popular e-WOM communication platforms and use negative feedback to improve product and service quality.

Based on the findings this study proposed a framework for an e-WOM strategy towards influencing online consumer buying behaviour. The framework highlights the best approaches to influence consumer behaviour through e-WOM valence and the implementation thereof. Future studies could use a more qualitative approach to build on the existing study and so gain a deeper understanding of Generation Z and millennials consumers' perceptions of e-WOM and consumer buying behaviour.

Key words: Consumer buying behaviour, Electronic Word-of-Mouth, online interactive media

## DECLARATION

I, Faith Tinonetsana, hereby declare that this thesis is original, and all the contents are appropriately acknowledged and explicitly referenced. A bibliography is appended to the thesis. Furthermore, it represents my own opinions and not necessarily those of the Durban University of Technology.

I also certify that the thesis has not heretofore been submitted in any of its parts or entirety for a degree of Doctor of Philosophy in Management Sciences specialising in Marketing in any other institution of higher learning locally or internationally.

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03/04/2023

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Faith Tinonetsana

Date

## **DEDICATION**

This thesis is dedicated to my late mother, Constance Tinonetsana who passed on in July 2021 during the course of this study. Her unconditional love and support meant the world to me, I hope that I have made her proud. May her soul rest in eternal peace. I also dedicate this thesis to my children, Blessing Nhundu and Ariel Nhundu. You have made me stronger, better and more fulfilled than I could have ever imagined. I love you to the moon and back, infinity and beyond, forever and ever.

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## **LIST OF ABBREVIATIONS**

CFI	comparative fit index
DUT	Durban University of Technology
EBM	Engel, Blackwell and Miniard
E-WOM	Electronic-word-of-mouth
IAM	information acceptance model
KZN	Kwa-Zulu Natal
MSME	micro, small, and medium enterprises
OBM	online broadcast media
OIM	online interactive media
RMSEA	root mean square error of approximation
SEM	structural equation modelling
SNS	social networking site
SPSS	Statistical Package for Social Sciences
TPB	theory of planned behaviour
TRA	theory of reasoned action



# **CHAPTER 1**

## **ORIENTATION**

### **1.1 INTRODUCTION**

Consumer behaviour is being easily influenced by available online information and has changed dramatically because of advances in information technology and the adoption of new communication methods. Consequently, companies' marketing strategies and business administration have changed. Companies are now shifting their attention from traditional advertising (mass media advertisements) to digital media campaigns (Daruz and Efendioglu 2016: 35). Global internet connectivity continues to expand at a pace that has never been seen before. As a result, this trend is expected to accelerate in terms of internet and related technology use and development across all product and service categories (Constantinides 2014: 43). The widespread use of the internet allows it to be used as a strategic medium for both personal and professional purposes. Its use has become ingrained in the lives of people of all ages, and as a result, its influence has spread far and wide across industries and markets. It is a strategic tool for companies in the planning and execution of activities and procedures that improve a firm's competitiveness against others. For those businesses, it serves as a source of information as well as a platform for consumer engagement and retention (Sinha, Sahdeo and Srivastava 2016: 2).

Despite the popularity of online interactive media, the proliferation of online presence among companies, which remained largely unregulated, caused consumers to doubt the content of online advertising due to a lack of confidence, poor content, and invasion of personal privacy, among other factors. Most of these companies offer a generic online advertising experience rather than a personalised one, resulting in low consumer engagement and retention. While advertisers try to entice consumers' emotions towards brands through digital advertisements, the results are often unsustainable and futile, resulting in a lack of consumer trust in digital marketing. Therefore, consumers nowadays rely more on earned campaigns in the form of e-WOM than advertisements (Časas, Palaima and Mironidze 2016: 16).

In response to the emerging landscape above, businesses are implementing ways to unlock the potential of various online media technologies to connect directly with consumers, thereby influencing their decision-making process (Ferreira and Barbosa 2017: 46). These technologies include online broadcast media (OBM) and online interactive media (OIM). OIM comprises microblogs, blogs, and social network services (SNS). With regards to OBM, the advertiser speaks and consumers listen, while with OIM, both the advertiser and consumers speak, listen and respond (Zhang and Tran 2015: 1). This has led to the birth of the concept of electronic word-of-mouth (e-WOM), which is the focus of the current study. E-WOM is any positive or negative statement made about a product or company by potential, actual, or former customers that is made available to a large number of people and institutions via the Internet. This phenomenon has led to a faster and broader spread of information and a greater impact on marketers, which affects consumers' decision-making processes, either positively or negatively (Huete-Alcocer 2017: 1).

Word-of-mouth (WOM) an “informal, purposive post-purchase, person-to-person communication between a perceived non-commercial communicator and a receiver regarding a brand, a product, an organisation, or a service,” is one of the factors considered in the consumer decision-making process. With the introduction of new technological tools, electronic word-of-mouth (e-WOM), also known as online reviews, online recommendations, or online opinions, has grown in importance. According to Litvin (2018: 2), e-WOM is all informal communications between consumers themselves through internet-based technology regarding the usage or features of goods and services or their sellers. Their typology is two-dimensional: a) communication scope: from one-to-one (emails), one-to-many (review sites), or many-to-many (virtual communities); and b) level of interactivity: from asynchronous (emails, review sites, blogs) to synchronous (chat rooms, newsgroups, instant messaging).

E-WOM is more influential than traditional WOM due to its speed, convenience, one-to-many reach, and lack of face-to-face human pressure. Additional reasons for consumer interest in e-WOM, include the expectation of receiving information that may reduce decision time and effort and/or contribute to the achievement of a more satisfying decision

outcome. The scope of e-WOM and the ease with which reviews can be accessed can have a significant impact on a company's performance since they affect the way consumers make their decisions.

Customers today use social media platforms to interact, seek information, buy, learn, and comprehend as a result of their high exposure to ICTs and social networking sites (Chetioui, Lebdaoui, et al. 2020: 221; Cordero-Gutierrez and Lahuerta-Otero 2020: 249). According to statistics, while 3.6 billion people are already active on social media sites, the number of mobile phone users globally will surpass 6.95 billion by 2020. (Statista, 2020b, 2020a). Marketers must then figure out how to attract and inspire these users by incorporating and utilising the functions accessible on social media sites.

A study done by Ouellette (2020: 1) indicated that nowadays consumers, more specifically millennials, are highly digital in other aspects of their lives, thus they naturally incorporate digital into their consumer behaviour. The same study showed that 80% of consumers never buy anything without first reading a review online. Ouellette (2020: 1) states that in 2019, digital buyers was estimated at 1.92 billion, and e-Commerce sales accounted for 14.1% of retail purchases worldwide. Generally, online shopping is growing so fast that in 2023, e-Commerce retail purchases are expected to rise from 14.1% to 22% (Ouellette 2020: 1). Hence, there is a need for businesses to keep up with changing technology to maximise profits. Based on this information, the study will focus on millennials and Generation Z. These two generational cohorts are different from other cohorts in terms of education and marketing because they are more tech-savvy, tech-linked, price-conscious, and conduct more product studies (Bridgeworks 2017: 1). Also, other cohorts have been studied in depth, but research about consumers of other ages is lacking. Thus, studying both age groups will give greater insights as to how their consumer behaviour is influenced by e-WOM.

As a result of this transition and because e-WOM has become one of the most important factors in buying behaviour, (Baber *et al.* 2016; Jeong and Koo 2015; Lee *et al.* 2017; Lin *et al.* 2018; Mauri and Minazzi 2013), the study seeks to investigate the influence of e-WOM on the consumer buying behaviour process and determine the factors of e-WOM

that influence the consumers' buying decision-making process. The findings will provide more insights into this highly polarised debate about the impact of emerging technologies, such as e-WOM, on consumer behaviour by taking into account the dynamic environment in which consumers find themselves, as well as fast-changing and updating technologies, globalisation, and other factors. Moreover, this research would help bridge the gap between limited expertise and unpredictable consumer behaviour when it comes to e-WOM to improve positive consumer behaviour. This study will also investigate the nature and relationship between e-WOM and consumer purchase behaviour. This study builds on existing theories to empirically measure how e-WOM must be aligned with consumer behaviour to capitalise on the potential of such rapidly changing online marketing technologies.

## **1.2 PROBLEM STATEMENT**

In general, literature by Bilal, Jianqiu, Dukhaykh, Fan and Trunk (2021: 191), Cervellon and Galipienzo (2015: 429); and Lillqvist and Louhiala-Salminen (2014: 4) agree that different types of social media messages can elicit different consumer perceptions, interactive responses, or e-WOM behavioural intentions. While such studies provide a good understanding of how different types of consumers respond, they also provide managers with additional information to help them develop successful communication strategies. Consumer behaviour towards e-WOM is complex, and not all user-generated content posted online will have the same e-WOM effect (Kwok and Xie 2016: 2158). As a result, studies like this one should investigate consumers' behaviour towards e-WOM in greater depth.

A meta-analysis conducted by Ismagilova, Dwivedi, Slade and Williams (2019: 11) and Al-Ja'afreh and Al-Adaile (2020: 812) indicated that various factors influence e-WOM during buying decisions, which include trust in the message, age, emotional trust, attitude towards the website and product, e-WOM credibility, augment quality, e-WOM usefulness, existing e-WOM, volume and valence, among other variables. However, it is impossible to directly observe all variables; hence a few variables have been selected based on gaps not filled by previous studies. Various studies conducted internationally have focused on various e-WOM predictors of intention to buy (Filiari *et al.* 2018; Filiari

2015; Floyd *et al.* 2014; Nam *et al.* 2018; Wang *et al.* 2015a; Yan *et al.* 2015) and in South Africa, Duffett (2017) and Duffett (2015) conducted studies in the area of e-WOM and consumer behaviour. Some studies have contradictory results about the different e-WOM factors influencing buying behaviour (Dou *et al.* 2012; Flanagin *et al.* 2014; He and Bond 2015; Reimer and Benkenstein 2016; Zainal *et al.* 2017). For example, He and Bond (2015) found that the volume of e-WOM communications affects buying behaviour, while Flanagin *et al.* (2014) found this relationship to be non-significant. Regarding the impact of valence on intention to buy, some studies (Ladhari and Michaud 2015; Mauri and Minazzi 2013) found its effect to be significant, while others (Sandes and Urdan 2013; Teng *et al.* 2017) found it to be non-significant.

These concerns indicate that there is still a debate about the impact of e-WOM on consumer purchasing behaviour; this discrepancy could be attributed to a variety of factors, including the context in which the studies were conducted, the methodological approaches used, and the time and spatial dimensions. Other factors contributing to the lack of consensus include the fact that online content is tailored to different occasions, social groups, and even different brands. If these issues are not addressed, there will be no consensus on the impact of e-WOM on online consumer purchasing behaviour. The lack of knowledge in this area can have a negative impact on businesses when it comes to developing appropriate marketing strategies for online stores in the face of a rapidly changing technological environment. This is due to the fact that businesses have a diverse target market in terms of demographic, geographic, psychographic, and behavioural characteristics, necessitating the development of customised marketing strategies for each segment. This improves the company's competitive advantage, resulting in a larger market share. Thus, studies like this one are critical in providing new insights into e-WOM aspects that impact consumers' buying behaviour.

In addition, few existing studies have focused on multiple age groups, some studies use convenience samples of university students (Bucic, Harris, and Arli 2012; Hwang *et al.* 2015; Zheng and Chi 2015). Even though some academics have tried to gain a broader demographic sample (Hustvedt and Dickson 2009), they ended up with many consumers from one age group (i.e., older adults). Other studies that focused on a range of ages did

not analyse the data in a way to examine characteristics that are perceived as important to different age groups (Han and Chung 2014; Shen *et al.* 2012). It is crucial to have a broader sample to represent the entire population of South African consumers who are active on OIM because consumers of different ages are expected to exhibit different buying behaviour (Jayawardhena, Morrell and Stride 2016: 2). Millennials have been studied in depth, but research about consumers of other ages is lacking. This study will thus, focus on millennials and Generation Z. These age groups will cover both students and staff at the Durban University of Technology.

Despite the significant insights provided by previous studies on e-WOM, a consensus concerning aspects influencing consumers' buying behaviour is yet to emerge, signifying the necessity for a methodical incorporation of this body of work. Thus, this study seeks to contribute to how e-WOM influences consumer buying behaviour during online purchases in South Africa, thereby providing recommendations to marketers so that they can use e-WOM to their advantage. Therefore, the study will assist marketers in understanding consumers' needs through the analysis of e-WOM, making available an effective marketing strategy (4 Ps: product, price, place, promotion) that will help companies meet and satisfy these needs.

### **1.3 AIM OF THE STUDY**

The aim of this study is to investigate the influence of electronic word-of-mouth (e-WOM) on the online consumer buying behaviour process.

### **1.4 RESEARCH OBJECTIVES**

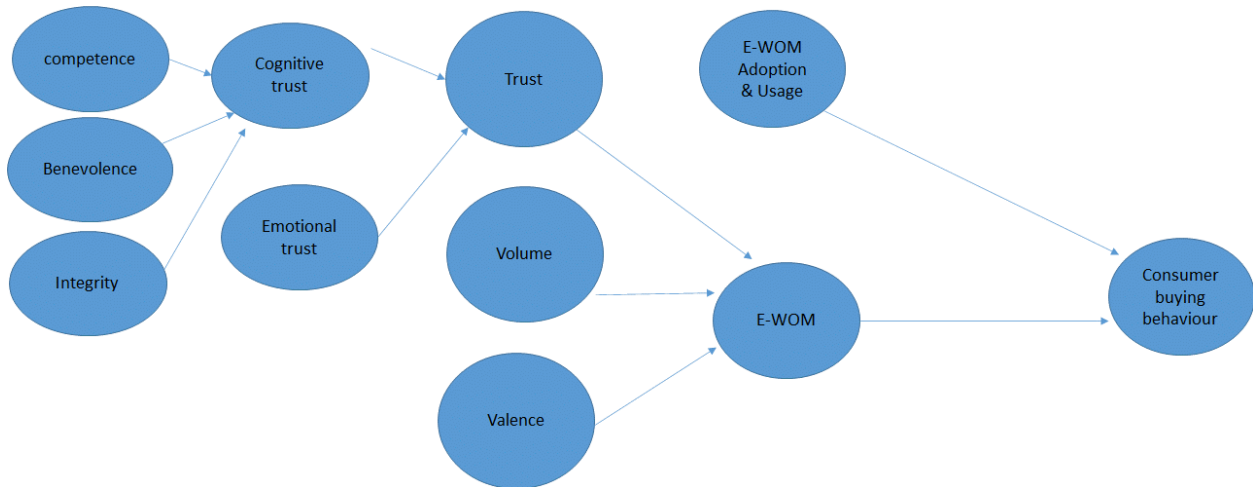
The objectives of the study are to:

- Establish what e-WOM is and discuss its relationship with consumers' buying behaviour process during online buying.
- Establish the influence of e-WOM on consumers' buying behaviour process during online buying.
- Determine the factors of e-WOM that influence consumers' buying decision-making process during online buying.

- Propose a framework that explains the influence of e-WOM and establish an e-WOM strategy towards influencing online consumer buying behaviour.

## 1.5 HYPOTHESIS

The proposed framework and hypothesis formulation is presented below.



**Figure 1.1: Proposed framework**

Competence, benevolence and integrity

Cheung and Lee (2008: 2) reviewed previous trust studies and defined the three most frequently mentioned characteristics that contribute to the trustworthiness of a trustee. The three characteristics are ability (competence), kindness, and integrity. Competence refers to the trustees' information, abilities, and characteristics. Benevolence is the extent to which a fiduciary is thought to do good for the trustor. Integrity refers to the trustee's ability to carry out prior acts and communicate in a reliable manner. These three characteristics are also commonly used in online shopping. According to the belief-attitude-intention system, these characteristics are meant to favourably affect cognitive trust (Wang and Benbasat 2007: 219). The following hypotheses are suggested following the previous discussion:

There is a significant relationship between competence and cognitive trust.

There is a significant relationship between benevolence and cognitive trust.

There is a significant relationship between integrity and cognitive trust.

Cognitive trust

Virgilio and Antonella (2017: 65), indicated that cognitive trust is the consumer's confidence in the capacity and consistency of an exchange partner and their ability to rely on it. Cognitive trust fundamentally comprises online shopping values and it influences consumers' trust. Thus, it is hypothesised that:

There is a significant relationship between cognitive trust and trust.

#### Emotional trust

The emotional trust of individuals can be built based on the cognitive attitudes of consumers towards online retailers. Based on the theory of planned behaviour by Ajzen and Fishbein (1975), several studies (Cheung 2014: 42; Zhang *et al.* 2014a: 96) have suggested and tested a positive impact of emotional trust on purchasing behaviour. Using experiments with participants from Hong Kong, for example, Zhang *et al.* (2014a: 96) found that emotional trust has a major positive impact on buying behaviour. Thus, the following is hypothesised:

There is a significant relationship between emotional trust and trust.

#### Trust

The perception of an individual that the information in the message can be trusted is referred to as confidence in message (Ho and Chien 2010). Trust in the message and buy intention have been linked in previous studies (Ho and Chien 2010; Hsu *et al.* 2013; Huang *et al.* 2013; Ladhari and Michaud 2015; Saleem and Ellahi 2017; Xiaoping and Jiaqi 2012). For example, an empirical study performed by Ho and Chien (2010) with 471 Taiwanese respondents discovered that trust in the message positively affects purchase intention. It is thus hypothesised that:

There is a significant relationship between trust and e-WOM.

#### Volume

The quantity of eWOM also influences consumer purchasing choices (Ngarmwongnoi *et al.* 2020: 751; Ismagilova *et al.* 2020: 1205). Teng *et al.* (2017: 241) defined this construct as the volume of online reviews submitted by customers to demonstrate their opinions. Bhandari and Rodgers 2017: 126) defined volume as the number of e-WOM messages, likes and reactions on a brand's page on online interactive media. As a result, Ismagilova *et al.* (2020: 1205) contended that such an essential concept makes online information



more visible. More specifically, because customers frequently engage with a large amount of information about a product on online platforms, the volume of e-WOM is evidence of the product's popularity. As a result of the increased reassurance provided by the quantity of eWOM, the perceived risk associated with the purchase decision can be reduced (Ngarmwongnoi et al. 2020: 751). In fact, the e-WOM volume may be the single most significant cue that consumers can rely on when assessing the e-WOM's reliability (Saleem and Ellahi 2017: 598). The following hypothesis is suggested following the previous discussion: There is a significant relationship between volume and e-WOM.

#### Valence

The valence of e-WOM communications varies (positive vs. negative information). Positive eWOM communications are more likely to include pleasant, vivid, and romanticised descriptions of goods or services, whereas negative eWOM communications are more likely to include complaints and unpleasant descriptions (Sparks and Browning 2011). Previous research examined the relationship between eWOM valence and purchase intention (Bigne et al. 2016; Hamby et al. 2015; Hu et al. 2012; Jones et al. 2009; Ladhari and Michaud 2015; Lee and Youn 2009; Mauri and Minazzi 2013). Mauri and Minazzi (2013), for example, conducted experiments with 570 Italian students and discovered that favourable online reviews about hotels increase the intention to book. Thus, it is hypothesised:

There is a significant relationship between valence and e-WOM.

#### e-WOM and consumer buying behaviour

Online user recommendations can impact a product's purchasing behaviour. Positive interactions between consumers can be shared via e-WOM, increasing brand confidence and purchase intent. Negative e-WOM, on the other hand, has the inverse effect (Seifert and Kwon 2015: 94). Wu and Lin (2016: 137) and Matute, Polo-Redondo, and Utrillas (2016: 1091) emphasise that previous consumers' feedback and recommendations now impact online purchasing behaviour. People can now share their thoughts and perceptions about products and services with their friends and acquaintances via social media. This decreased anonymity has the potential to increase the trustworthiness and

reliability of e-WOM information, and thus the final online purchasing choice. Thus, it is hypothesised that:

There is a significant relationship between e-WOM and consumer buying behaviour.

The study only tested the alternative hypotheses.

## **1.6 CONTRIBUTION OF THE STUDY**

The study seeks to fill the gap in the body of knowledge by investigating how e-WOM affects the buying decision-making process during online purchases, hence providing recommendations to marketers so that they can use e-WOM to their advantage. Therefore, the study will assist marketers in understanding consumers' needs through the analysis of e-WOM, thereby, making available an effective marketing strategy (4 Ps) that will help companies meet and satisfy these needs.

## **1.7 LITERATURE**

The following section will review literature on consumer behaviour, variables affecting consumer behaviour and theories and concepts of consumer behaviour. Electronic word-of-mouth will also be discussed. The section that follows discusses consumer behaviour.

### **1.7.1 Consumer Behaviour in the digital environment**

Consumer behaviour is defined as a physical, mental or emotional activity that people engage in during the selection, purchase, use and disposal of goods and services to satisfy their needs (Uzo, Shittu and Meru 2018: 11). Studying consumer behaviour does not only help in understanding the past; it also helps in predicting the future. Consumer behaviour focuses on studying the minds of consumers; thus, it is complex, and marketers must apply various consumer behaviour theories and concepts to their strategies for effective marketing. Dahiya and Gayatri (2018: 73) state that when purchasing any product, a consumer goes through a decision-making process. The process differs depending on the type of purchase the consumer is going through. There are different types of consumer buying behaviour, including habitual, variety seeking, dissonance-reducing and complex buying behaviour. Online shopping can be regarded as a complex buying process because it involves a lot of perceived risk. Potential online shoppers always want to know the experiences of other consumers who have bought from the same

retailer by checking e-WOM before they make a final purchase. Thus, it is very important to understand how online consumers are influenced by e-WOM during the buying decision-making process.

### **1.7.2 Role of electronic word-of-mouth (e-WOM) during online buying**

Ouellette (2020: 1) states that in 2019, digital buyers were estimated at 1.92 billion, and e-Commerce sales accounted for 14.1% of retail purchases worldwide. Generally, online shopping is growing so fast that by 2023, e-Commerce retail purchases are expected to rise from 14.1% to 22% (Ouellette 2020: 1). The percentage might even rise above 22% due to the COVID-19 pandemic. The need for e-Commerce will continue to rise because consumers feel safe shopping online from the comfort of their own homes. Consumers are even buying fast-moving consumer goods (FMCG) online, which was rarely done before COVID-19. Bizcommunity indicated that clothing and apparel were the most bought goods in South Africa online. Hence, there is a need for businesses to keep up with the changing technology to maximise profits. Thus, this study seeks to assess how e-WOM influences online buying behaviour so that businesses can use it to their advantage to maximise market share, sales volume and profits.

Businesses have unlocked the potential of various technologies to connect directly with consumers, thereby influencing their decision-making process (Ferreira and Barbosa 2017: 46). Interactive media allows people to connect with others. There are two different types of online marketing advertising available to consumers: online broadcast media (OBM) and online interactive media (OIM) (Zhang and Tran 2015: 1). The various ways in which people process and share information, or how they communicate with one another, are referred to as Online interactive media (OIM). OIM comprises microblogs, blogs and social network services (SNS). With regards to OBM, the advertiser speaks and consumers listen, while with OIM both the advertiser and consumers speak, listen and respond (Huete-Alcocer 2017: 1). This phenomenon has led to a faster and broader spread of information, has a great impact on marketers and affects consumer decision-making processes in a positive or negative way. Since OBM is only one-way communication, this study will focus on OIM only because the researcher is interested in determining the influence brought about by e-WOM.

The e-WOM concept is described by the dynamic and ongoing exchange of information between actual, former or potential consumers regarding a product, service, company or brand that is accessible to many consumers via the Internet. e-WOM is regarded as an important source of information influencing the consumer decision-making process (Ismagilova, Dwivedi, Slade and Williams 2017: 11). Previous studies have confirmed a positive relationship between e-WOM and buying behaviour (Filieri, Raguseo and Vitari 2018; Filieri 2015: 1268; Floyd, Freling, Alhoqail, Cho and Freling 2014: 230; Nam, Baker, Ahmad and Goo 2018: 16; Wang, Cunningham and Eastin 2015: 157; Yan, Wang and Chau 2015: 655; Erkan and Evans 2016; Kim *et al.* 2018). Thus, marketers must not overlook the power of e-WOM, especially when disgruntled consumers post negative content because it creates more lasting effects and is more influential than good content. Generally, consumers use online interactive media during the purchasing process (collecting information, evaluating alternatives, and selecting the best alternative) and even post-purchase when they post their own experience on social media (Oblak, Barcic, Klaric, Kuzman and Groselj 2017: 39).

A meta-analysis conducted by Ismagilova (2019: 2) indicated that various factors influence e-WOM during buying decisions and they include trust in the message, age, emotional trust, attitude towards the website and product, e-WOM credibility, augment quality, e-WOM usefulness, existing e-WOM, volume and valence among other factors. However, it is impossible to directly observe all variables; hence, a few variables have been selected based on gaps not filled by previous studies. The study will focus on trust, the volume of e-WOM on social media platforms and finally e-WOM valence. Some studies, nonetheless, have conflicting findings on different factors of e-WOM affecting buying behaviour (e.g., Dou, Walden, Lee and Lee 2012: 1561; Flanagin, Metzger, M. J., Pure, R., Markov, A. and Hartsell. 2014: 20; He and Bond 2015: 1525; Reimer and Benkenstein 2016: 5999; Zainal *et al.* 2017: 43). Also, Sen (2008: 626) and Sen and Lerman (2007: 92) reported that e-WOM's impact was not as successful as the conventional face-to-face mouth (WOM) effect. Differences in results could be due to different contexts, sample size, population characteristics, methodological approaches and study settings, the period when the study was done, validity and reliability in the

studies involved. It is thus important to conduct another study to try to fill the gap left by previous studies using South African online consumers' context.

### **1.7.3 Generational Cohorts**

Consumers are often segmented by generational cohorts for marketing purposes. Consumers' ethical orientation and buying behaviour can be influenced by their previous experiences. (Jayawardhena *et al.* 2016). It is believed that events shared by all people born around the same time have a similar impact on their values and consumer motivations, implying that generational cohorts are a useful tool for understanding consumer behaviour (Arli and Pekerti 2016: 1). Retailers and consumer researchers have spent years trying to understand millennials, but now they're trying to figure out how Generation Z differs from millennials (Schlossberg 2016: 10). According to Baizley (2018: 1), different generational cohorts have different responses to different goods and their advertisements. Thus, this study seeks to examine how the two main generational cohorts of millennials and Generation Z are affected by e-WOM during their interactions on OIM when making purchasing decisions.

#### **1.7.3.1 Millennials**

Millennials are defined differently by different sources, but they are usually those born between 1980 and 1994 (Bridgeworks 2017), putting them between the ages of 27 and 41 in 2021. Although Generation Y is sometimes referred to as a separate generation, its age range is included in the millennial group. Millennials accounted for 14 million people in South Africa or 27% of the population (IOL, 2019).

#### **1.7.3.2 Generation Z**

Generation Z refers to people born between 1995 and 2010, placing them between 11 and 26 years old in 2021. (Seemiller and Grace, 2015). According to TransUnion (2020), Generation Z accounts for 46% of consumers in South Africa, or 27.5 million people, making them the most populous generation. Generation Z is different from millennials in terms of education and marketing because they are more tech-savvy, tech-linked, price conscious, and conduct more product studies (Bridgeworks 2017; WGSN, 2016). There is little academic research on Generation Z because they are still young, but they are a

significant consumer group for online products, and businesses want to know how they differ from millennials.

#### **1.7.4 Theoretical framework**

The researcher selected theories with concepts that align with the study's concepts. The concepts of this study are consumer behaviour, OIM and e-WOM. Theories with similar concepts as the study were selected so that the researcher could determine if gaps identified in the previous chapter could be addressed by the theories. The study will focus on various consumer behaviour theories and online interactive media. Understanding such theories and concepts will assist marketers in forecasting consumers' buying behaviour to a certain extent. Second, perhaps the more important aim of using theories in this study would be to show the validity and significance of these models on the topic of consumer behaviour in the digital era. The models that will be considered for this study are discussed below.

##### **1.7.4.1 Engel, Kollat and Blackwell model (EKB model)**

The classic EKB framework is a broad framework that can be useful to the customer decision-making process in the context of interactive online media (Stankevich 2017: 10). The framework reveals the four major stages a consumer goes through during decision-making. The stages are information processing, the central control unit, the decision-making process and influences exerted by the environment. Consumers are decision-makers trying to satisfy their needs; thus, this framework is usually applied in marketing and consumer behaviour studies to understand how consumers make decisions to satisfy their needs and wants (Stankevich 2017: 10). This study will, therefore, adopt the EKB framework to understand consumers' decision-making processes in the era of OIM. Further, the theory of planned behaviour (TPB) will also be applied in the study. The model is briefly discussed below.

##### **1.7.4.2 Theory of planned behaviour (TPB)**

The theory of planned behaviour (TPB), first developed by Ajzen in 1988, is an extension of TRA and describes the formation of consumer behaviour. Based on TPB, consumers' attitude towards behaviour together with subjective norms and perceptions of behavioural

control factors, influences their intent to have a certain behaviour. A very good example of TPB is the effect of attitude toward a product, service, website or online retailer on consumers' buying decision-making process (Yzer 2017: 1).

## **1.8 RESEARCH DESIGN**

The study took on a quantitative approach associated with giving predetermined options to many respondents (Leedy and Ormrod 2019:21). A quantitative approach is appropriate because there is a need to predict relationships and test hypotheses for the study. The study is descriptive and cross-sectional. A descriptive study is used to describe the answers to questions such as who, where and what. Survey design was used in this study. This is the collection of primary data collection through survey. This method was used as it is best-suited when a researcher is dealing with a larger sample.

### **1.8.1 Target population**

The target population can be defined as the total group of persons or entities from whom information is required (Sekaran and Bougie 2016: 224). The target population included Generation Z (people born between 1997 and 2012) and millennials (people born between 1981 and 1996). This study, however, focused on people born between 1981 and 2003 because those born after 2003 are still young and financially dependent. The population was drawn from students and members of staff from the Durban University of Technology (DUT). Staff and students were selected on the assumption that their age group gave the researcher the right sample of people born between 1981 and 2003. The millennials and the Generation Z population are different from other cohorts in terms of education and marketing because they are more tech-savvy, tech-linked, price-conscious, and conduct more product studies (Bridgeworks 2017: 1). Also, other generational cohorts have been studied in depth, but research on millennial consumers and Generation Z consumers is lacking. This study, thus focused on millennials and Generation Z. These age groups covered both students and staff at the selected higher institution of education in South Africa, DUT because it is convenient and easily accessible. This group was asked to answer the questions based on the experience they had with any South African online store where they shop most frequently.

### **1.8.2 Sample size**

According to Babin and Zikmund (2016: 410), the sample size is the number of units chosen from the target population. A sample size calculator was used to calculate the sample size and the researcher needed 378 participants. Nonetheless, some participants did not respond, and some questionnaires were spoiled hence an allowance was made to cater for that. Thus, the researcher used a sample size of 400. This is also supported by Wiid and Diggins (2015: 189), who stated that a sample size varies between studies; it can range from 30 to 500 units. It is difficult to work with the entire population hence, a sample size will be used in this study. The sample was drawn from students and members of staff at DUT. The sample was asked to answer the questions based on the experience they had with any South African online store where they shop most frequently.

### **1.8.3 Sampling**

This study used a non-probability sampling technique. Non-probability is the selection process in which the probability of any one individual or subject being selected is not equal to the probability of another individual or subject being chosen. The probability of inclusion and the degree to which the sample represents the population are unknown. This study used convenience sampling, which is a type of non-probability sampling because it is easy, quick, and inexpensive. This sampling method was preferred because respondents were available to the researcher. Convenience sampling was used to select international students from DUT based on their availability.

### **1.8.4 Data collection methods**

To achieve the objectives of the study, primary research was conducted. Primary research is the collection of first-hand information to shed light on the specific problem under analysis. Self-administered questionnaires were used to collect data. The questionnaire was self-developed by the researcher. Due to COVID-19 regulations, questionnaires were distributed via the DUT email system.

### **1.8.5 Data analysis**

The collected data was cleaned and then loaded into Excel. The researcher conducted the appropriate statistical tests with the assistance of a statistician. The analysis was done



using the latest version of the Statistical Package for Social Sciences (SPSS) and structural equation modelling (SEM) using the AMOS structural equation programme. SEMs are statistical models of linear relationships among dormant and manifest variables. AMOS estimates the coefficients in a set of structural equations (Jalilvand and Samiei 2012: 64). For this study, SEM was used to investigate the causal relationships, where the path coefficients were tested for significance and goodness-of-fit. The overall model fit measure was used to evaluate the fit of the structural model.

The root mean square error of approximation (RMSEA) was used as an absolute fit index. Further, the comparative fit index (CFI) was used as incremental fit indices. Standardised estimates were used in reporting the causal relationships between the exogenous and endogenous constructs.

## **1.9 VALIDITY AND RELIABILITY**

Validity is the extent to which data in a study is accurate and dependable (Noble and Smith 2015: 2). Thus, checking the accuracy of the findings is very important because it helps to determine if the results are accurate from the viewpoint of the researcher, the contributor and those who will read the final research. Member checking was used and participants were asked to contribute to or regulate the ultimate findings to determine whether they felt that the findings were correct or not. The construct validity of a measurement tool was also examined to determine whether it accurately measured the construct the researcher sought to measure. It is crucial for determining a method's overall validity (Babin and Zikmund 2016: 178). The researcher also made use of face validity. Face validity considers how appropriate a test's content appears on the surface. Face validity is often regarded as the weakest form of validity because it is a subjective measure (Sekaran and Bougie 2016: 160). It may, however, be useful in the early stages of developing a method. Lastly, the study also employed factor analysis for statistical data reduction and analysis approaches that attempt to explain various outcome correlations as the result of one or more underlying explanations or factors. The method entails data reduction, as it tries to represent a set of variables with a smaller number of variables.

Reliability refers to the degree of agreement or consistency with which an instrument measures the attributes it is designed to measure (Wiid and Diggins 2017: 7). Sekaran and Bougie (2014: 228) state that reliability is important because it tests if the study fulfils its predicted aims and hypotheses and ensures that the results are confined to the internal investigation. Cronbach's alpha was used to verify internal consistency and reliability. The researcher ensured that questions were understood by the respondent in the way that the researcher intended and that the answers were decoded by the researcher in the way that the respondent intended.

### **1.10 DELIMITATION AND LIMITATIONS**

The study focuses on millennials and Generation Z (people born between 1981 and 2012). However, this study is limited to people born up to 2003. Those born from 2004 onward will not be considered because the researcher assumes that at this age, they do not have an income and are not responsible for purchase decisions. Due to COVID-19 regulations, the study only included DUT. The researcher encountered difficulties gaining access to other institutions because of the strict regulations. The study only considered Generation Z and millennials to assess the influence of OIM on consumer behaviour, but other cohorts could also be assessed. Hence, the findings of this study cannot be generalised to all online consumers in South Africa. Also, a small sample was used, and as a result, the findings of this study cannot be generalised to the whole of South Africa.

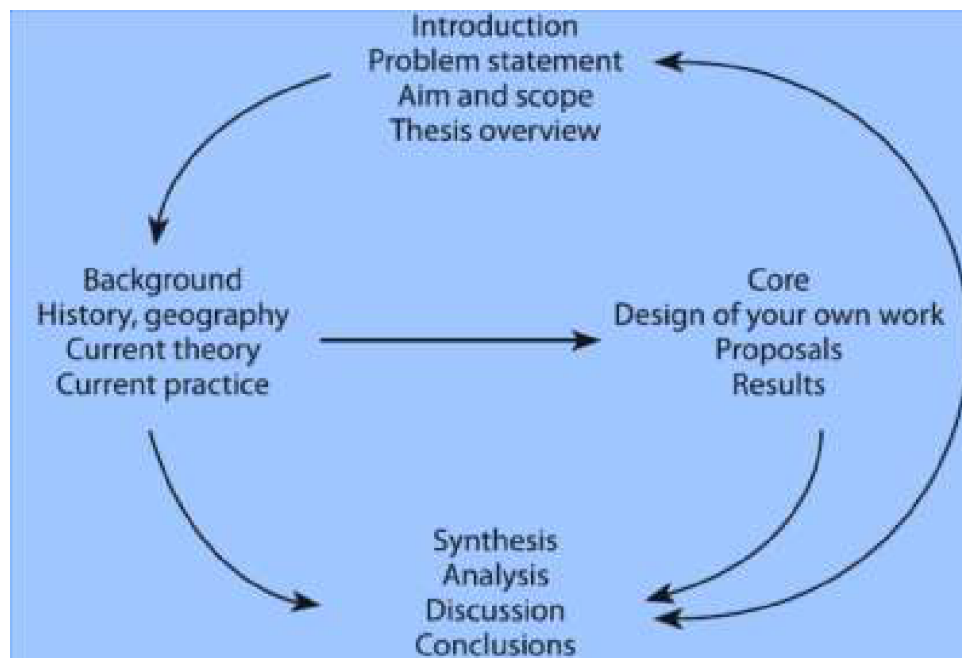
### **1.11 ETHICAL CONSIDERATIONS**

The rights, values and interests of the respondents were respected. DUT was contacted electronically by email to seek permission to conduct the study. The interviews were confidential, and the data will be kept safe in password-protected files. Warnock (2019: 1) indicated that four standards are considered suitable for advertising and marketing in general, namely: beneficence, non-maleficence (no damage), no dishonesty and no prejudice. In this regard, the researcher at all times acted in the best interests (beneficence) of- and avoided inflicting intentional harm (non-maleficence), where possible on the participants in research and avoided actions that risked harming others. The researcher also ensured that the rights, opinions and beliefs of the participants were

respected (autonomy). In addition, unfair bias towards the participants was avoided (justice).

## 1.12 STRUCTURE OF THE THESIS

According to Evans, Gruber and Zobel (2014: 12), a standard thesis structure consists of four interconnected parts: an introduction, background, the core and synthesis, as shown in Figure 1.2.



**Figure 1.2: Structure of the thesis: Source: Evans, Gruber and Zobel (2014: 11)**

This study adopted and modified the structure as illustrated above and thus this thesis is structured as follows:

Chapter 1 introduced the study. The goal and objectives of the study were outlined together with the rationale, research methodology and limitations of the research. The structure of the dissertation is also outlined in this chapter.

Chapter 2 provides a literature review on consumer behaviour, online interactive media and factors influencing e-WOM.

Chapter 3 establishes the theoretical foundation for the study.

Chapter 4 focuses on the research methodology. It provides an insight into the research and questionnaire design. The data collection methods and sampling were described. Statistical techniques to analyse the data were also highlighted.

Chapter 5 presents the results of the study using tables and graphs. Relevant statistical calculations were also applied to interpret the data obtained.

Chapter 6 discusses the results and significant findings in light of the literature.

Chapter 7 provides a synthesis of the previous chapters together with recommendations based on the findings of the study. Future research recommendations were also highlighted.

### **1.13 CONCLUSION**

This chapter provided an overview of the research, giving the context from which the research problem, the aim, objectives, and rationale for this study were determined. A brief discussion of the proposed research design and approaches was also given in this chapter. The chapter also presented an outline along with brief explanations of the dissertation chapters.

The next chapter will present a review of the existing literature in terms of the relationship between online interactive media and its influence on consumer buying behaviour as reflected in past studies.

## **CHAPTER TWO:**

### **OVERVIEW OF ONLINE INTERACTIVE MEDIA**

#### **2.1 INTRODUCTION**

The aim of this study is to investigate the influence of electronic word-of-mouth (e-WOM) on the online consumer buying behaviour process.

##### **Objectives**

1. To establish what e-WOM is and discuss its relationship with consumers' buying behaviour process.
2. To establish the influence of e-WOM on consumers' buying behaviour process.
3. To determine the factors of e-WOM that influence consumers' buying decision-making process.
4. Propose a framework that explains the influence of e-WOM and establish an e-WOM strategy towards influencing online consumer buying behaviour.

#### **2.2 ONLINE MEDIA**

The term online media refers to the various media through which information and knowledge can be obtained. All information that is encoded and can be viewed, distributed, or stored on digital electronic devices is considered online media (Stanimirovic 2021: 2). On the other hand, Hazel (2020: 1) states that online media is when audio, video, and text-based content is shared via different online platforms. From another perspective, Kavran and Herman (2021: 6) define online media as communication media which use web-based technologies for the exchange of information, as well as communications technology that use internet services or the World Wide Web to convey or share information.

Kusa and Cabyova (2021: 156) refer to online media as a process, method or medium that generates, publishes, conveys, or distributes message-oriented or thematic opinions of various multi-media via the internet after being established or approved in accordance with applicable law and adhering to journalism and editorial principles. These definitions highlight that while online media is a platform through which information is shared,

another perspective outlines online media as a process through which various multi-media information is shared. Within the context of this study, online media, therefore, becomes an important tool that is highly capable of shaping and influencing consumer behaviour, as well as a medium through which various businesses can enhance their brand image.

While online media has been around for a long time, it has only gained a lot of traction recently. That should come as no surprise given the exponential rise in internet usage over the last two decades. The statistics are startling: in 2000, only about 7% of the world's population used the internet. However, by 2018, that figure had risen to a whopping 48% and is believed to be even higher now (Stanimirovic 2021: 6). This technology gave birth to an entirely new way for marketers to reach out to consumers.

Online media sites provide consistent information and allow customers to compare and interact (Prasad et al. 2017: 136). As a result, the majority of businesses have shifted their conventional media advertising platforms to social media. In the same vein, worldwide digital advertising spending is expected to reach \$517.51 billion in 2023, representing an 83% increase over 2018 (Guttmann 2019: 2). In 2023, digital ad spending will account for 60.5% of overall ad spending, up from 45.9% in 2018. Google (\$103.73 billion), Facebook (\$67.37 billion), and Alibaba (\$29.20 billion) are the top three worldwide digital ad sellers in 2019. In 2019, digital ad spending as a percentage of total ad spending has already surpassed 50% in a number of nations, including China, the United Kingdom, Norway, Ireland, Denmark, Sweden, Australia, the United States, New Zealand, Canada, the Netherlands, and South Africa (eMarketer 2019: 1). The data provided above demonstrates the rapid shift in companies' advertising budgets and marketing activities from traditional to online media sites.

According to Zhang *et al.* (2015: 61), two types of online media are used by marketers to reach out to consumers; these technologies include online broadcast media (OBM) and online interactive media (OIM). These technological platforms are discussed in the following sections.

### **2.2.1 Online Broadcast Media**

Online broadcast media (OBM) is commonly known as traditional online media (Lim *et al.* 2015: 34; Vandeberg *et al.* 2015: 21) and is mainly in the form of online video and banner advertisements (a typical OBM representative). The following are some of the characteristics of OBM: the marketer speaks, while the consumer listens (i.e., it is governed by businesses or marketers whose content is intended to persuade) (Kim *et al.* 2016: 13) and one-to-many medium mainly achieved by reaching a large audience; online owned media (company website); and online paid media (Dong, Chang, Liang, and Fan, 2018: 947). However, while this is another platform that influences consumer and business behaviour, it is not the focus of this study. This delineation is informed due to the nature of OBM as a one-way communication tool. In this case, the study focuses on online interactive media.

### **2.2.2 Online Interactive Media (OIM)**

OIM refers to the various ways in which people process and share information via the web. The use of interactive media allows individuals or organizations to connect with others, making them active participants in the media they are using. OIM is meant to engage the user. OIM characteristics include marketers speak, consumers listen and respond; one-to-one; online earned media; and online owned media (posts in online communities or social networks) (Stephen and Galak 2012: 18; Zhang and Tran 2015: 1). A significant proportion of communication on OIM comes from a variety of sources, such as third parties or other consumers.

Examples of OIM platforms include blogs, microblogs and social networking services (SNS). Social networking sites (SNS) have become one of the most influential OIM platforms, reaching millions of consumers all over the world and have changed the way people communicate with one another, find out about products and services, and make purchasing decisions (Chu and Choi 2017: 31).

The most popular SNS are Facebook, Instagram, Twitter and Tik Tok (Dhir 2021: 1). Despite a slew of scandals and controversies in recent years, Facebook remains the world's largest SNS (with nearly 1.7 billion users). As a result, of the network's size, one

can reach out to a greater number of people. According to Business Insider (2020: 2), Facebook accounts for 50% of total social referrals and 64% of total social revenue and has influenced more than half of consumers' online and offline purchases in 2019 (DigitasLBi Commerce (2019: 5).

Instagram is a fantastic platform for brands because it provides so many ways to showcase products, such as photos, videos, stories, galleries, filters and more. It now has over a billion monthly active users. What is great about the platform is that it appeals to people of all ages across the globe. On average, a business account is followed by 80% of Instagram users. Furthermore, the platform facilitates shopping by including shopping tags and checkout options in the posts. Every month, 130 million Instagram accounts click on a shopping post to learn more about products.

Even though TikTok is a relatively new platform, its fast growth has made it a major source of brand awareness for OIM users, particularly Generation Z. TikTok already has 800 million users worldwide, with 41% of these users between 16 and 24 years old. Generally, this pinpoints the changing landscape towards online buying through platforms like TikTok, especially given the fact that it is largely being used by the younger generation. This changing landscape is becoming increasingly important, especially for marketers who seek to grow their customer base and brand image.

Twitter is a great place to ask for recommendations because of its quick nature and ability to connect with almost anyone. According to Sprout Social (2021: 2), 53% of consumers recommend products or businesses in tweets, with a further 48% going on to purchase those products or services. Again, this simply underscores the importance of digital OIM platforms to consumer buying behaviour.

The evolving OIM phenomenon accelerated the spread of information to a broader audience, had a great impact on marketers, and influenced consumers' decision-making processes (Huete-Alcocer 2017: 1). For instance, consumers are, to some extent, involved in a company's advertising campaign when using OIM. They assist in promoting the company's product, which can lower advertising costs and give the company more credibility among the consumers' friends, workmates and neighbours.



The other strengths of OIM include its rapid response and ability to encourage two-way communication. Two-way communication allows for the exchange of ideas, thoughts and feedback and therefore has had a significant impact on consumer buying behaviour. The two-way communication has given rise to electronic word-of-mouth (e-WOM), a typical OIM representative and the most credible form of OIM (Huete-Alcocer 2017: 2). Also, as social media has grown in popularity, e-WOM has become more accessible and available (Huete-Alcocer 2017: 1). A more detailed explanation of e-WOM and how it influences consumer behaviour will be given in Section 2.3 below.

According to Mahmood, Jafree, Mukhtar and Fischer (2016: 178), the buying decision-making factor has been significantly impacted by the rise of OIM. Thus, companies use OIM to market their goods, and it may help consumers associate with their brands. OIM platforms have added new dimensions to e-WOM communication and are now considered new channels for e-WOM, allowing users to communicate with both known and unknown individuals. Thus, consumers now have ample access to information about goods and services due to online channels. OIM captures the components of interest to this study to enhance understanding of the influence of e-WOM on consumer behaviour.

OIM platforms are sure to have a huge effect on consumer behaviour. An OIM site's centre is a list of user profiles where registered users can post information they would like to share with others (Trusov, Bodapati and Bucklin 2018: 21). The majority of users engage in two forms of activity on social media: (i) by changing their profiles, they can create new content, for example, by adding pictures, uploading music, writing blogs, and sending messages; and (ii) they can consume content produced by others, for example, by looking at pictures, downloading music, reading blogs and sending messages.

The OIM sites have emerged as the leading hubs for the collection of online data in recent years and have gained popularity as an e-WOM outlet (Cheung and Thadani 2012: 74). Recent e-WOM trends show that OIM is the most popular e-WOM platform among consumers. Posts on OIM platforms and online product reviews are examples of e-WOM (Seifert and Kwon 2015: 16). As two-way e-WOM communication becomes more proficient, OIM sites gain more meaning and magnitude. Marketers also see OIM

platforms as valuable e-WOM transmitters, with the ability to quickly disseminate information to the intended audience. Although OIM has advantages, there are also shortcomings associated with OIM, which will be discussed below.

#### **2.2.2.1 Disadvantages of OIM**

Trusov et al. (2018: 21) indicated that the main disadvantage of OIM to the business is that it can damage the organisation's reputation if consumers decide to post negative content. Negative news always travels faster than positive news and with the emergence of OIM, a company's image can be damaged within minutes. Given the strong influence of OIM on consumer behaviour, such damage could have a detrimental impact on consumer choices during purchase decisions. This can be avoided by managing consumer complaints effectively providing a satisfactory resolution.

Although a company strives to provide the best possible service to its consumers, there are times when people who are not consumers simply want to have fun by 'trolling' the company. These are the well-known 'trolls' of the internet. Trolls are said to be treasures in some areas, but trolls are not a good thing in the business world, so organisations must figure out how to deal with them (Phade 2018: 1) before a bad reputation becomes detrimental to the marketers' goals as well as impacting consumer decisions to purchase.

Cybercrime, physical damage, and privacy are all disadvantages of using digital media. Hacking personal information such as passwords, bank account numbers, and credit card numbers is an example of cybercrime. Hackers can take control of your online identity (e.g., social networks) with a few mouse clicks, causing financial or reputational harm (Stanimirovic 2021: 5). These activities will be detrimental to the consumers who prefer online purchases for the fear of having their details hacked by criminals. This also suggests a loss of consumer base on the part of marketers, who would also target online buying to enhance their share of sales on online markets.

Online buying is becoming more common and preferred among a community of consumers seeking better value propositions in terms of content, convenience, cost, and choice as more consumers become familiar with the internet and its benefits. Young people in South Africa, like other young people in the world, are experimenting with new

forms of shopping, which has resulted in the success and development of online shopping in the country. Due to this rise in online buying, there is a need for businesses to keep up with changing technology to enhance their brand image and maximise profits. Within this context, e-WOM becomes an important platform through which consumers can make their purchase decisions, while companies use e-WOM to build their brand images.

### **2.3 ELECTRONIC WORD-OF-MOUTH (E-WOM): CONTEXTUALISATION**

Ananda, Hernandez-Garcia and Lamberti (2016: 3) describe e-WOM as a powerful marketing tool that has changed the way people behave on the internet. Electronic word-of-mouth (e-WOM), also known as online reviews, online recommendations, or online opinions, has become an important factor influencing consumer buying decisions. The influence of e-WOM on consumers' buying behaviour has grown with the introduction of new technological tools, and the growth and popularity of the internet (Singh 2020: 51).

Various definitions of e-WOM have been proposed by different authors, capturing different dimensions (Ismagilova, Dwivedi, Slade and Williams 2017: 1; Nuria Huete-Alcocer 2017: 2; Litvin, Goldsmith and Pan 2008: 459 and Cantallops and Salvi 2018: 143). As these definitions are discussed below, it is envisioned that a synthesis of these definitions would yield an operational definition and context of e-WOM as used in this study.

Ismagilova *et al.* (2017: 1) define e-WOM as a dynamic and continuous process of the exchange of information amongst prospective, current or former consumers regarding a product, service, brand or business that is accessible via the internet to a multitude of institutions and individuals. From this context, the authors highlight e-WOM as a process that is lively and continuous, suggesting that it is not static and that the emphasis is not only on what has happened in the past but also recognises existing, as well as potential consumers. However, the definition by Ismagilova *et al.* (2017: 1) is somehow generalised in that it does not provide a detailed explanation of how these different time dimensions influence how consumers are likely to behave.

Another dimension by Nuria Huete-Alcocer (2017: 2) defines e-WOM as an exchange of marketing information between consumers such that it has a fundamental role to play in

influencing their behaviour and shifting attitudes towards goods and services. This definition addresses the fact that e-WOM affects buying behaviour, but the author does not highlight the fact that the exchange of marketing information is done online. Furthermore, the author also does not mention the aspect that the exchange of information is an informal one. Basically, the definition lacks these two important aspects.

Litvin, Goldsmith and Pan (2008: 459) presented one of the most detailed definitions of e-WOM, defining it as all informal contact addressed to consumers through the internet and related to the use or characteristics of products or services or the sellers thereof. While this conceptualisation captures e-WOM as an exchange process, the authors seem to omit the most important aspect of e-WOM and how it influences consumer behaviour; rather, the authors just define e-WOM without being explicit on whether it influences consumer behaviour.

Similarly, Cantallops and Salvi (2018: 143) define e-WOM as an informal contact between online consumers about a variety of brands. What is interesting in this definition, which has not been highlighted by the other authors, is that it assists customers in comparing and contrasting various goods and services before a consumer is able to make a purchase decision. Interesting to note in this definition is the fact that e-WOM is not just a dynamic and continuous process, as reflected in the earlier definitions, but it is also an informal contact process.

### **2.3.1 Summary of e-WOM definitions**

From the definitions given above by the different authors, it can be noted that the conceptualisation was somehow not uniform based on the different dimensions that authors considered when explaining what e-WOM is. This is one departure point that the current study takes into consideration when establishing the operation and context of e-WOM. For example, some authors acknowledge e-WOM as an informal contact process and others further assert that it is not just a dynamic process but also a continuous process that has an influence on consumer behaviour. Generally, a review of these definitions implies that no author has included all the aspects. These components are

marketing information, OIM, consumer behaviour, and communication among consumers.

The operational definition of this study is guided by Nuria Huete-Alcocer's (2017: 2) definition, which the researcher regards as the most relevant to the aim of this study. Nuria Huete-Alcocer emphasises marketing and consumer behaviour, which is the core topic of this study. However, the author does not include all the components as listed above in the definition. Based on the earlier definitions and their respective considerations, as well as adopting and modifying the definition by Huete-Alcocer, the researcher developed and will apply the following operational definition:

*“e-WOM is a dynamic, continuous and two-way informal process that allows exchange of marketing information between consumers using digital tools on OIM platforms such that it plays an essential role in the consumer buying process to influence how consumers behave and shift attitudes towards goods and services”.*

This operational definition helps distinguish the main components: the source (consumers as e-WOM senders), the message (marketing-related content), the medium (digital communication tools), the recipient and the ultimate online buying behaviour (primarily other consumers). Thus, this distinction helps in explicitly delineating the focus of the current study, which does not focus on the first three components, mainly dwelling on consumers as receivers.

The current study aims to provide a comprehensive framework for determining how consumers use information from digital platforms to influence their online purchase decisions. In this analysis, one of the major factors, e-WOM, as defined in the operational definition above will be thoroughly explored. This is because consumers develop stronger relationships with brands based on the extent to which they engage with them through various online platforms, which can contribute to positive e-WOM (Lee and Youn 2019: 4).

### **2.3.2 Evolution of e-WOM**

Before the emergence of e-WOM, there was word-of-mouth popularly known as WOM, which was described by Porter (2017: 15) as an oral, person-to-person contact about a brand, product, or service between a receiver and a communicator whom the receiver perceives as non-commercial. Since WOM is person-to-person communication, a connection between the sender and receiver is needed. WOM is a rare occurrence among strangers, as it entails largely friends, relatives, or co-workers. WOM communications are typically used by consumers for a variety of purposes, including anxiety reduction, guidance finding, product engagement, and altruistic motives. WOM is thought to be more effective than commercial information (e.g., TV advertising) because it is considered the most impartial source of information about any product or service, according to previous studies (Porter 2017: 15).

WOM is still the most powerful mode of communication and is described as volitional post-purchase communications by consumers. As a result, WOM communications occur when a consumer has positive feelings about a supplier's experience, which can inspire him or her to tell others about it (Hennig-Thurau *et al.* 2015: 4). As such, WOM has a huge impact on consumers' decisions to alter their friends' and relatives' attitudes and behaviours. As a result, e-WOM has been dubbed "one of the most critical post-purchase behaviours" (Harrison-Walker, 2001).

WOM was used traditionally before the emergence of the internet and due to the growth of the modern virtual world a few decades ago, the principle of e-WOM was born. According to Khammash and Griffiths (2011: 27), businesses initially attempted to use the internet as a more effective means of communicating with consumers. However, as the internet has grown in popularity, users have begun to engage more. They use the new atmosphere to exchange product-related details, just as they do offline. Consumers are encouraged to use the internet because of the variety of ways or networks by which they can exchange product information with one another.

There are distinctions between WOM and e-WOM, with the question of anonymity being one of them. Due to its intangibility and therefore greater perceived risk, e-WOM is more

critical and powerful in the online buying context. E-WOM is mostly anonymous and occurs amongst people who have had little to no previous interaction with each other, for example, strangers or fellow consumers (Lee and Youn 2019: 5). Anonymity is thought to allow consumers to express themselves more openly. However, there is a possibility that they will dissociate themselves from the repercussions of revealing such views.

Khan, Hussin and Hamid (2018: 331), on the other hand, are of the view that several characteristics of e-WOM set it apart from traditional WOM. These six distinct characteristics of e-WOM include: (i) the ability to cover a wide range of people; (ii) the wide variety of online platforms through which it can be distributed; (iii) the persistent and observable nature; (iv) the anonymous nature; (v) the presence of both positive and negative opinions; and (vi) the ability to generate engagement among various consumer communities. These characteristics allow e-WOM to differentiate itself from traditional WOM. Based on the operational definition of the current study, one of the important aspects classifies e-WOM as a process, and like any other process, there are various stages that e-WOM goes through as consumers seek to make purchase decisions. These stages are discussed in the subsequent section.

### **2.3.3 Stages of e-WOM**

It is suggested that e-WOM comprises three stages: (i) creation, (ii) exposure, and (iii) evaluation. For e-WOM to have an impact on the market, it needs to be created first. Consumers post product reviews on the internet, which are one of the most critical forms of e-WOM communication. Since users may share their posts about products or services on social networking sites, social media is considered a suitable medium for e-WOM communication (Hsiao *et al.* 2016: 17). E-WOM, through social media, can also aid in the promotion of various brands and create a distinct impression in the minds of consumers.

After creation, consumers need to be exposed to e-WOM otherwise, there would be no impact on e-WOM that is created but not seen. E-WOM information or reviews posted on social media reach a large number of people who can use it to make buying decisions (Erkan and Evans 2016: 134; Lin *et al.* 2017: 25). Zhu and Zhang (2020: 67) argue that due to the advent of technology and the internet, consumers use these online customer

reviews, which are increasingly becoming one of the most valuable sources of knowledge that consumers search for before making their buying decisions.

It is popular for today's consumers to look for and gather valuable information before purchasing something, which can be found on different online interactive media sites in the form of product reviews and feedback left by previous consumers. Consumers seek information by reading consumer feedback and comments on social networking sites; this information assists them in forming opinions about businesses as well as products, which can have a positive or negative effect on the companies' image.

Finally, consumers ought to analyse the e-WOM message and consider it in their decision-making process for the impact to materialise. E-WOM is a strong market force because consumers find it an impartial and credible source of information on goods and services. Consumers assume a dual role in these three stages: they are creators of e-WOM, senders of information and, when exposed or assessed, they are receivers of e-WOM (Rosario and Sotgiu 2020: 424). As highlighted earlier, e-WOM, as a consumer decision aid and process, is a two-way platform that is evolving as a strong platform to influence both consumers' and marketers' behaviours.

#### **2.3.4 Advantages and disadvantages of e-WOM to the consumer and business**

E-WOM is accompanied by opportunities and challenges that both consumers and marketers must take advantage of, and overcome, respectively in order to fully benefit from it as a decision aid. In this light, the subsequent chapters discuss the advantages and disadvantages associated with e-WOM, for both consumers and businesses.

##### **2.3.4.1 Advantages of e-WOM to the consumer**

The benefit of this tool is that it is open to all consumers, who could also share their feedback and comments with other online platform users. Where once consumers accepted WOM from friends and family, today they search for product information or service in online comments (e-WOM). Because of technology, consumers from across the world currently can offer reviews that other users can use to access information on goods and services with ease. This information medium (e-WOM) is used by both active and passive consumers. Those who express their views online with others are active



consumers; while those who merely look in the comments for details or views shared by other users are passive consumers (Nieto, Hernández-Maestro and Munoz-Gallego 2018: 116). Ultimately, this process influences the purchase behaviour of the type of consumers, for example, a passive consumer may change their behaviour to purchase in a positive way depending on the review of the information. At the same time, the active consumers may also choose not to buy a product or service depending on the review as well. This underscores the importance of e-WOM on consumer buying behaviour.

#### **2.3.4.2 Advantages of e-WOM to the business**

E-WOM also offers businesses an advantage over conventional WOM because it helps them to both try and understand factors that drive consumers to post their opinions online and to gauge the effect of those comments on others (Cantalops and Salvi 2018: 42), and how they impact the businesses. Nevertheless, the use of technology by consumers to express views on goods or services (e-WOM) may be a risk for businesses, as it could become a factor that they cannot regulate (Yang 2017: 94). To combat this, companies aim to gain more control over the online feedback of consumers by building virtual spaces on their own websites, where consumers can post comments and express their views on the goods and services of the company (Vallejo, Redondo and Acerete 2016: 62). Even though companies build virtual spaces where consumers can post their reviews some consumers will also go on to post their reviews on other platforms like Facebook and Twitter thus, the idea of asking consumers to post reviews on company websites might fail to yield the required results.

Successful companies can restore customer satisfaction after dissatisfying experiences with products or services, as well as protect or even improve their reputation among those who read about these unsatisfactory experiences. Companies that engage in web care demonstrate that they take consumer complaints and needs seriously, which may lead to more positive brand evaluations. Furthermore, if a company adequately addresses consumer complaints, these consumers may stop posting negative e-WOM or even begin posting positive e-WOM about their positive web care experiences with the company. Businesses that engage with online buyers have the best chance of rebuilding their brand, hence their online client base.

### **2.3.5 Disadvantages of e-WOM to consumers**

On a broad level, e-WOM can disseminate useful product information from reliable sources. However, it would be incorrect to assume that all e-WOM sources or the content provided by these sources are homogeneous in composition and thus of equal usefulness and/or source credibility (Zhu and Zhang 2017: 38). Given the lack of gatekeeping in social media, the question of whether consumers can distinguish between more and less useful e-WOM, or between more and less credible e-WOM sources, is critical. Anyone can say anything about any product, service, or brand on review sites, blogs, forums, and communities. In most cases, no editorial board is in charge of selecting relevant information or ensuring reliability standards. It is thus up to consumers, rather than editors or authorities, to distinguish between the usefulness of e-WOM and the credibility of its sources. Consumers may struggle to differentiate e-WOM in terms of usefulness and source credibility, and it is not clear if they are always successful in such efforts (Winter, Krämer, Appel, and Schielke 2017: 86), thus negatively influencing their decision to purchase a product or service.

Another difficulty with e-WOM is that consumers may struggle to form impressions about the e-WOM senders and their characteristics, such as their level of expertise, as they frequently involve visually unknown weak-tie contacts (Lee and Youn 2019: 5). Consumers are thus assumed to know little about the sources of e-WOM, other than that they can be classified (correctly or incorrectly) as ordinary consumers like themselves. Previous research (Burton and Khammash 2010; Metzger, Flanagin, and Medders 2010) indicate that when consumers are unable to distinguish the individual identities of sources, they are more likely to agree with the opinions of sources with whom they self-categorise or recognise. These findings are explained by social identification theories, which claim that social identification increases over-attributions of similarity, and they tend to form trusting attitudes toward social categories, particularly in visually anonymous settings. This is concerning because ordinary consumers may not always have the necessary knowledge or expertise to evaluate products critically.

Although e-WOM senders are frequently visually anonymous, their messages frequently convey various cues that consumers can use to identify e-WOM senders' expertise and

assess their credibility (Walther and Jang 2012: 49). These identification cues could include claims of real-world expertise expressed in e-WOM content. According to offline persuasion theories, consumers regard experts as more credible than they regard non-experts (Lee and Youn, 2019: 7). However, because these cues are susceptible to deception, it is unclear whether they provide sufficient guidance to differentiate e-WOM senders in terms of source credibility. Sources may not be who they say they are, or they may be using their identities to promote marketing messages disguised as e-WOM. The latter practice is of particular concern, as businesses are increasingly attempting to influence e-WOM to their own advantage by offering financial incentives to people to communicate positively about their products and services on the internet (Mayzlin *et al.* 2012: 87; Resnick, Zeckhauser, Sher and Lee 2009: 118).

The same characteristics that make e-WOM a beneficial and reliable information source (large-scale, weak-tie communication) could also make it extremely difficult for consumers to benefit from e-WOM as a valuable and truthful information source in their purchase-decision processes. Concerns have been expressed in the societal debate that consumers accept e-WOM without distinguishing between messages that are more and less useful and credible, relying instead on content and sender characteristics that signal a critical analysis of products or services (Rezabakhsh, Bornemann, Hansen, and Schrader, 2016: 97). These concerns appear valid, as assessing usefulness and credibility is regarded as a consumer-empowering endeavour that can strengthen consumers' ability to make informed decisions, and thus their ability to benefit from the decision-aiding function of e-WOM.

### **2.3.6 Disadvantages of e-WOM to businesses**

Companies try to influence e-WOM because they are aware that today's consumers use it as a key source of information to help them make purchasing decisions (Singh 2020: 51). They launch viral marketing campaigns, create social media brand communities, and implement referral programmes, all with the goal of increasing brand or product advocacy through e-WOM (Voramontri and Klieb 2018: 107). However, because e-WOM occurs between consumers, the content of e-WOM is outside of the company's control. Consumers may communicate positively about a company and/or its products and

services, but they may also discuss them negatively. The spread of negative e-WOM is a major source of concern for businesses, especially given the general finding that negative e-WOM has a greater impact on consumer perceptions and behaviour than positive e-WOM (Putter 2017: 38).

Companies are increasingly trying to respond to e-WOM in an effort to influence its effects once posted online, owing to their limited control over e-WOM and their subsequent fear of negative e-WOM. Responding to e-WOM is also known as web care, which is defined as the act of engaging in online interactions with consumers, by actively searching the web to address consumer feedback (e.g., comments, questions and complaints). Although web care can be posted in response to either positive or negative e-WOM, it is thought to be especially useful in combating negative e-WOM and its negative impact on consumer behaviour (Noort 2015: 64; Breitsohl, Khammash, and Griffiths 2019: 38). Companies use web care to resolve complaints that cause consumers to engage in negative e-WOM, while limiting the potential harm that such complaints could cause to other consumers.

Although web care is thought to be a valuable tool for dealing with negative e-WOM, its effectiveness has yet to be proven. According to the research, consumers may not be as appreciative of companies' web care interventions. Some customers welcome and even demand, that businesses respond to negative e-WOM. Others, on the other hand, see such interventions as an attempt to silence consumers who are critical of companies and their products and services and thus condemn companies that attempt to intervene in online consumer interactions (Grebe 2013: 103; Fournier and Avery 2017: 83). In the latter case, web care can cause a negative feedback loop, with web care responding to negative e-WOM by inciting even more negative e-WOM.

As previously stated, businesses face the difficult task of using web care as an adequate response to negative e-WOM, especially given that the literature provides no empirically based guidelines on which to base their web care policies. To date, only a few studies have investigated the effects of web care (Van Laer and De Ruyter 2017: 49). These studies looked specifically at the types of responses - accommodative (i.e., apology,

compensation, and/or corrective action) or defensive (i.e., denial, attack, or shifting blame to others) that produce the most desirable effects in terms of reputation and brand evaluations among readers of negative e-WOM.

It is within the given context that the study seeks to explore the e-WOM digital OIM platform and how it is shaping the online purchase behaviour of consumers. The evaluation is guided by the dimensions as embedded in the operational definition of this current study. The section that follows provides an overview of online media, as well as its influence on online buying.

## **2.4 ONLINE MEDIA AND INFLUENCE ON ONLINE BUYING**

Businesses are attempting to unlock the potential of various online media technologies to connect directly with consumers, be it through advertising or buying on online media. Most companies put a button to buy, enquire or share on their advertisements. Thus, consumers who want to buy will be directed to the company website. This has a great impact on the online buying process since consumers have access to reviews from previous customers. The following section contextualises online buying and provides the perceived impact on the buying process.

## **2.5 ONLINE BUYING: CONTEXTUALISATION**

Trade and commerce have become so diverse in the twenty-first century that multichannel has emerged, and online shopping has grown significantly across the world. Online buying refers to performing transactions between buyers and sellers via the internet (Viridi, Kalro, and Sharma 2020: 557; Yoon et al. 2021: 92). It is helping eliminate all barriers of space and time in doing business, connecting businesses, and expanding unlimited market share through reaching customers anywhere by a fast, easy, and low-cost way (Nathan et al. 2019: 465; Beckers et al. 2021: 3). Thus, online buying is fundamentally changing the operation of the market and the behaviour of customers and businesses (Yoo and Jang 2019: 4; Cheong et al. 2020: 1521).

Consumers now have a variety of choices when it comes to selecting goods and services when shopping on the internet (Rahman, Islam, Esha, Sultana and Chakravorty 2018: 3).

Such trends underscore the landscape through which online buying is transitioning as a platform for buying and selling across the globe.

Shopping on the internet has its own set of characteristics. According to Huseynov and Yldrm (2018: 34), the lack of physical contact is the most significant barrier to online retail sales, accompanied by the protection of personal information and the security of online financial transactions. Hoque, Ali, and Mahfuz (2015: 4) have discovered that in this situation, perceived ease of use has little impact on the behavioural pattern, which is driven instead by security and privacy concerns. Even if a customer spends hours on the internet, no partnership is formed between the consumer and the online shop when there is a perceived online danger (Islam 2017: 6).

In today's world, online shopping is a convenient alternative to a hectic lifestyle. Customers' shopping habits have changed dramatically over the last decade. Even though consumers continue to purchase from physical stores, users or buyers find online shopping to be very convenient. Modern people are so busy that they cannot or will not spend much time shopping, so online shopping saves them time (Jain 2016: 2). And because online buying involves perceived risk, consumers prefer to know about other consumers' experiences before making a final decision.

Unlike a physical store, online retailers describe all of their products using text, images, and multimedia files. Many online retailers can provide links to a wealth of additional product details. On the other hand, some online shoppers are adventurous explorers, fun seekers, and shoppers who enjoy shopping, while others are technology muddlers who despise waiting for their orders to arrive. As a result, online consumer behaviour (user actions during product search, purchase, and use) has become a popular research topic for a growing number of researchers seeking to understand the unique nature of online shopping (Jain 2016: 3). Generally, online shopping is growing so fast. Due to double-digit worldwide growth in revenue (15%) and orders (13%) (eMarketer 2018: 1) in all types of e-commerce, such as business-to-business (B2B), business-to-consumer (B2C), and business-to-government (B2G), e-commerce accounted for around 2.29 trillion dollars globally and was predicted to hit 4 trillion dollars by 2020 (eMarketer, 2018; John 2018:

14). Moreover, Ouellette (2020: 1) states that by 2019, there was an estimation of 1.92 billion digital buyers, and e-Commerce sales accounted for 14.1% of retail purchases worldwide and in 2023, e-Commerce retail purchases are expected to rise from 14.1% to 22%. With the recent COVID-19 pandemic, a projected rise of above 22% is expected. The need for e-commerce will continue to rise because consumers feel safe to do their shopping online in the comfort of their own homes. Consumers are even buying fast-moving consumer goods (FMCG) online, which was rarely done before COVID-19, even in the clothing and apparel sector, for example, in the South African online market (Bizcommunity 2021: 1).

### **2.5.1 Evolution of online buying in South Africa**

While e-Commerce operations began in the late 1990s with NRBs delivering gifts to South African friends and family members (Mohiuddin 2014: 75), CellBazaar.com launched the first true local e-commerce or m-commerce operation in 2006 with a WAP service accessible only by mobile phones (Zainudeen, Samarajiva, and Sivapragasam 2017: 28; (Mahmood 2015: 2). From 2000 to 2008, South Africa's e-commerce growth rate was sustained. There were several e-commerce websites at the time, but there was no infrastructure for online transactions because of the high cost of the internet and mobile connections, a lack of awareness of such sites by credit card holders, and the fact that only a small percentage of the population used credit cards (Hasan 2014: 17).

In the 1990s, South Africa's banks accelerated the development of e-commerce in South Africa by launching online payment services, mobile payment systems, and inter-banking payment gateways. Successive governments' continued investment in the country's ICT infrastructure to realise the vision of a digital South Africa drove down internet costs and increased connectivity in each of SA's 492 towns. The South African government's initiative to build a reliable internet backbone to link all government offices through the internet, to promote a well-grounded telecommunications market, and to open IT parks are all key drivers of the online shopping industry's growth potential.

### **2.5.2 Online media and the buying process**

Generally, the consumer journey has been shortened due to online media. People used to watch a TV commercial for a product several times before going shopping the following week. This process can now take minutes. According to the Global Web Index (2020: 8), 54% of online media users are using OIM to research goods and services, and 71% are much more likely to make purchases based on OIM referrals. According to the Deloitte (2020: 17) report, 29% of online media users are much more likely to buy a product the very same day they use online media. That is after they see a good or service, they merely click the link and make a purchase; without the need for them to wait before going shopping. Furthermore, according to the same report, consumers who are influenced by online media are four times more willing to spend more money on buying. However, the consumer's journey is now not only shorter but also more complicated. Users can now conduct product research more easily. For example, if a consumer sees a product on Twitter, they can quickly search the hashtag to read other people's reviews and decide whether to purchase it. As a result, consumers devote more time to research and consult more review sources.

### **2.5.3 Online media and consumer purchasing decisions: a review.**

Suwunniponth (2014: 13) investigated the factors that influenced consumers' online shopping intentions. The research was both qualitative and quantitative in nature. The information was gathered using a questionnaire and in-depth interviews. It was gathered via a questionnaire from 350 experienced online consumers in Bangkok, Thailand, and then analysed using descriptive analysis and route analysis. The findings revealed that the website had a substantial impact on the consumer's online shopping attitude and that online shoppers prefer a user-friendly website when shopping online. According to the findings, technology acceptance factors and confidence had a major relationship with intentions toward various products and services, as well as expected shopping behaviour. The study concluded that consumers' intentions to shop online are influenced by various online factors, such as website design, perceived ease of use, perceived utility, and trust.

Hassan and Abdullah (2010: 47) attempted to evaluate the impact of independent variables such as website design, confidence, internet experience, and online



advertisements on the online shopping behaviour of consumers. To test the hypothesis, the authors used a questionnaire survey that was filled out by online consumers. The study found a positive association between online shopping and four independent variables (website design, confidence, internet awareness, and online advertising). Furthermore, the study found that the accuracy of a website had a huge effect on online shopping. According to the findings, website design should be simple to use, quick, and time-saving, with easy-to-load web pages and simple navigation. The simplicity with which a website can be used will increase the likelihood of returning to shop again.

Osman *et al.* (2010: 26) used a convenience sampling approach to study online consumer attitudes toward online shopping. The research used a self-administered questionnaire that was distributed to 100 University of Putra Malaysia undergraduates. The study looked at ten different aspects and factors that influence online shopping attitudes, such as students' socio-economic backgrounds, website efficiency, purchase perception, and attitude. According to the study's findings, good website quality has several dimensions, including accurate details, quick web page launch, and quick website link to online shopping. Furthermore, they said that 77% of respondents were willing to purchase through a decent and high-quality website design, while 76% agreed to purchase through a safe and easy-to-use website design.

Lepkowska-White (2014:47) did research on "Online Store Perception: How to Turn Browsers into Buyers?" A questionnaire survey was distributed to New England users, and 231 adult online browsers and 311 adult online buyers were chosen for the report. According to the study, internet browsers are less interested in online shopping than online shoppers. The consistency of website design was one of the causes and concerns for internet browsers.

An analysis by Verplanken and Sato (2011: 8) was based on 20 empirical articles. The study aimed to look into the effect of website quality on e-commerce. Their study results showed that website design had a positive and important impact on consumers' attitudes toward online shopping, based on the content review of these studies. On the other hand, they discovered that user perceptions of website design were divided into two categories:

hygiene and encouragement. They also listed privacy and protection, as well as the website's ease of navigation and comprehensive hygiene details. In comparison to enjoyment, efficiency, cognitive result, user empowerment, and e-retailer information that are linked to motivation segments in website design, the absence of hygiene contributes to the dissatisfaction of consumer needs. These motivational factors raise the appeal of website design and satisfy the needs of consumers. In short, a strong and attractive website design will assist consumers in making their e-shopping experience simple and painless. On the other hand, a poor website design can discourage consumers from purchasing online.

Adnan (2014: 37) wanted to understand how various aspects of perceived risk, perceived benefits, psychological influences, hedonic motivations, and website design influenced online shopping behaviour. Nonetheless, in Pakistan, 100 questionnaires were distributed to online buyers and other factors, such as time loss risk had no major effect on consumers' online shopping intentions. Differences in findings could be due to different contexts.

There is a lack of full-cost disclosure with online buying. It is simple to compare the best price of an item online, but it is more difficult to determine the overall cost of an item (including extra fees, delivery, tax, and so on). One of the questions about online shopping is the lack of complete disclosure of the overall cost. This issue is particularly noticeable in cross-border purchases. When one buys online, there is reduced instant satisfaction. After purchasing a product in a physical store, one can use it right away, which can be rewarding. However, online shopping necessitates patience while waiting for an item to arrive (up to 6/7 days or more), which can reduce customer satisfaction.

The results of the study conducted by Chen and Hsin (2008: 819) show that the perceived risk to various online retailers with respect to purchase intention was affected by consumer trust. As consumer trust increases the perceived risk decreases, consumers will be motivated to make buying decisions. It is because of these perceived risks that prospective consumers always seek e-WOM before they commit, to avoid post-purchase dissonance at a later stage. Companies must always provide top-notch services to their

clients because one unhappy customer can ruin the brand's image. Newman (2015: 1) indicated that "If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the internet, they can each tell six thousand friends".

Online shoppers may experience a higher purchasing risk than that of conventional retail because purchasing takes place in virtual space rather than face to face. Accordingly, the consumers will rely more on OIM knowledge to minimise uncertainty and to take decisions by buying risk. Businesses are attempting to unlock the potential of various online media technologies to connect directly with consumers, thereby influencing their decision-making process (Ferreira and Barbosa 2017: 46).

#### **2.5.4 Advantages of online buying**

According to eBay (2013: 2) and Jain (2016: 13), consumers prefer online shopping because there are advantages to buying online. For example, online buying eliminates waiting in lines. Each online store is designed with a unique individual ordering feature to purchase so that there is no long line when purchasing online. As a result, online shopping eliminates the inconvenience of waiting in a long line.

Online shopping conserves energy because it eliminates the need for a person to travel to a physical store and waste energy on shopping. There is no need for a vehicle. As a result, online shopping saves fuel, transaction costs associated with it and time. When someone has a specific list of purchases they want to make, they can purchase them instantly from a site with a few mouse clicks and move on to other important work. As a result, they will be able to save time (Stanimirovic 2021: 4).

Online shopping has overcome geographical barriers; by shopping online, consumers no longer have to be physically present to purchase goods or services (Almeida, Almeida and Mota 2019: 4). Price comparisons from one online shopping site to another are straightforward. The advanced innovation of search engines allows everyone to check and compare prices with just a few clicks. This means consumers get the best price deal (Stanimirovic 2021: 4). Because online shopping stores are open 24 hours a day, seven days a week, and 365 days a year, customers can shop at their own pace and

convenience. People with busy schedules can decide to do their shopping anytime when they are free, even at midnight.

### **2.5.5 Disadvantages of online buying**

Vrender 2016: 34) indicated that although online shopping brought convenience to consumers, it also has various disadvantages. The major disadvantage of online buying is the perceived risk involved. As defined in this study, perceived risk can be defined as a degree of uncertainty about the outcome of an action that carries the potential for physical harm, particularly in financial and information fraud (Kumar and Bajaj 2018: 11). Risks are part of daily life and often come as a routine between people and occur when there is less than a 100% chance that things will work out as planned by somebody. Risks are different for each person; some people see risk as their inability to directly understand the quality of the product, a lack of personal communication with the seller, the cost of learning how to use the internet, the cost of juggling various channels, payment protection and personal details (Zhang and Yu 2020: 13).

There are two components of perceived risk in online shopping: uncertainty and the significance of the effects of a specific purchase. Uncertainty is linked to the potential outcomes of positive or negative actions, as well as the unintended effects of these outcomes (Kumar and Dange 2014: 36). Uncertainty is often related to the risk of losing money while making a financial transaction on the internet for a specific product (Kumar and Dange 2014: 36). Financial transactions on the internet are associated with a number of risks (Adnan 2014: 24). Consumers perceive various risk factors before moving money to an online retailer (Adnan 2014). Financial loss, protection, and privacy are examples of these factors. A study by Panwar (2018: 2486) defined two dimensions of trust-related issues in her research: "uncertainty that is based on the system and uncertainty that is transaction-specific." The study used an economic model of trust in an online shopping environment and found that trust is the most significant and fundamental factor in reducing the ambiguity and complexity of financial transactions and relationships.

According to prospect theory, one's perception of loss tends to be greater than that of an equal gain. It suggests people pay more attention to perceived risk and are usually averse

to risk or loss. This risk perception and avoidance significantly affect consumers searching for information and their results of the subsequent decisions (Banyte, Rutelione, Gadeikiene and Belkeviciute 2016: 336). Consumers can change their behaviours when perceived risk exists to avoid or minimise risk/loss. So, the behaviour of consumers may vary depending on different perceived risk situations. As higher risk is viewed for online products, consumers are more likely to behave in a self-protected manner with positive or negative feedback from others. Hence, before considering embracing online buying, many future internet buyers will prefer to wait and study the experiences of those who have bought the products or services before (Panwar 2018: 2486).

According to Stanimirovic (2021: 4), another disadvantage of online buying is fraud and security concerns. Since consumers are unable to inspect goods prior to purchase, they are at a high risk of being defrauded by merchants. Using a stolen credit card or making fraudulent online transactions puts merchants at risk of making fraudulent purchases as well. For certain consumers, privacy is a major concern. Many consumers choose to stop receiving spam or telemarketing calls and they are also scared to provide their contact details to an online retailer. Many websites, as well as brick-and-mortar stores, keep track of customer shopping preferences to recommend an item or a different website to visit. Even though various jurisdictions have different consumer privacy regulations and compliance levels, online shopping still raises privacy concerns.

The other online buying disadvantage is that sometimes the product fails to meet expectations in terms of performance (Littler, Maziriri and Mokoena 2016: 88). This is due to consumers' inability to determine the product's or brand's consistency in online stores. Only the product images and descriptions are shown in the online store. Many who want to touch, see, and test items before purchasing them will be unable to do so while shopping online. This is supported by Amin and Mahasan (2014: 648), who indicated that the risk of performance exists when a product fails to fulfil its role as planned or when services may take some time to be offered. This type of disadvantage is likely to be caused by the lack of personal interaction with a salesperson, which prevents the consumer from properly assessing the characteristics of the product, which in turn

decreases consumer trust. It is ideal if consumers can check out the goods they are going to purchase before making a payment. The ability to conduct a trial before making a payment gives consumers the required confidence.

Nonetheless, the consumer's ability to evaluate a product or brand on an online site is restricted due to the lack of physical inspection of a product, such as touching, brand colours, and misleading details about product features, resulting in an increase in product performance risk. Masoud (2018:83) conducted an online market survey using 395 online buyers and consumers in Jordan to evaluate the impact of perceived risk (financial, product, time, delivery, and information security) on Jordanian online shopping conduct. They chose consumers who had previously done online shopping, and the study chose Jordan's most famous online stores. According to the findings, product performance risk had a negative impact on online purchasing behaviour.

Another disadvantage that online buyers have experienced in the past is paying for the product and the vendor fails to deliver or takes more time to deliver than indicated during purchase. According to Hong (2015: 29), if a consumer orders a product from a trustworthy online retailer, the product delivery risk is reduced. As a result, consumers seek out trustworthy online vendors through e-WOM to minimise the product delivery risk. Adnan (2014: 4) also proposed that, to reduce the delivery risk, online retailers should offer insurance coverage to online consumers if an item is not shipped on time. Consumers are concerned about not receiving goods on time or experiencing delivery delays, resulting in a high risk of product delivery (Yeniçeri and Akin 2013: 47). Moshref *et al.* (2018: 9) studied the effect of various perceived risk factors (financial risk, product risk, convenience risk, and non-delivery risk) on online buying behaviour from an Iranian perspective. They chose different online stores in Iran and distributed 200 questionnaires to randomly selected online consumers to test the study's hypothesis. Their research found that non-delivery had a negative impact on Iranian consumers' online shopping behaviour.

According to Gandhi, Vajpay-ee and Gautam (2018: 62), because of the potential for delivery risk, many consumers were hesitant to shop online. The study found that people

who shop online once a week or make many online transactions in a month have a negative impact on product delivery risk, while people who shop online less than once a month have a positive impact on product delivery risk. According to Amin and Mahasan (2014: 648), consumers incur time loss during online buying, time to learn how to purchase those items, time to wait for a response or time to check the process. During online buying time loss can be incurred when the website is not easy to navigate. Some websites are not user-friendly and first-time buyers might face challenges navigating through the site thus, the issue of time lost needs to be addressed to avoid losing customers.

The disadvantages involved are not always correctly interpreted; particularly in the online industry, accurate understanding and efficiently eliminating or restricting risks are crucial. Risk management must be an integral part of the responsibilities of facility marketing managers. The disadvantages discussed above should be well controlled to minimise the loss of personal and financial assets due to unexpected, accidental, and unusual accidents and premeditated torts. Because when this happens, unhappy customers will spread their experiences via e-WOM, and this will influence future purchases from prospective clients who always consult e-WOM before making a purchase.

It is the fear of these risks that makes consumers seek validation from e-WOM on OIM before they make a final purchase. Some consumers might start perceiving certain risks after reading negative reviews; hence, marketers need to monitor reviews posted by disgruntled consumers because they instil risks in prospective consumers. Consumers who are happy with the security, privacy, and good online experience provided by the websites will experience lower perceived risk and have a positive impact on their intention to buy.

It is within the given context that the study seeks to explore the e-WOM digital OIM platform and how it is shaping the online purchase behaviour of consumers. The evaluation is guided by the dimensions as embedded in the operational definition of this current study. The section that follows provides an overview of online buying behaviour, as well as the factors influencing this process.

## 2.6 ONLINE BUYING BEHAVIOUR: OVERVIEW

Online buying behaviour refers to an individual's overall impression and appraisal of a product or service, which may be negative or positive while shopping online. Previous research has identified online buying behaviour as a multi-dimensional framework that has been conceptualised in a variety of ways (Vreder 2016: 3). Many academics use various dimensions to assess consumer behaviour. The first dimension, according to Gozukara *et al.* (2014: 27), refers to the consumer's attitude toward a utilitarian motivation (convenience, variety seeking, the quality of merchandise, cost benefit, and time effectiveness). The second dimension is hedonic motivation (happiness, imagination, escapism, awakening, sensuality and enjoyment), and the third is perceived ease of use and usefulness. The last factor that influences consumer behaviour when it comes to online shopping is perceived danger (Baber *et al.* 2014: 4).

The behaviours themselves, such as identifying a problem or making a purchase, are based on constantly changing expectations and needs, and while each consumer's needs are unique, the new expectations that are currently driving online consumer behaviour are rooted in commonality (Wenzl 2021: 2). Expectations such as stock availability, shipping transparency, reasonably priced shipping, and more lately, a convenient buying experience all influence how consumers decide to purchase items online and whether they will remain loyal customers once they have made a purchase.

Generally, online consumer behaviour is changing at a rapid pace. This new era of retail is distinguished by the shift of consumers' purchase experiences from brick-and-mortar to online shopping, which happened much faster and on a much larger scale than anyone could have predicted. This rapid change is a result of a number of factors that include drastic changes in e-commerce and, more importantly, pandemic outbreaks, for example, the current COVID-19 outbreak. COVID-19 ushered in a new era of retail by launching e-commerce far beyond any reasonable or predictable expectations.

When the COVID-19 pandemic struck, online buying experienced a remarkable and unprecedented shift. Many physical stores were forced to close, and consumers were given stay-at-home orders. As a result, consumers placed unusually high and



unpredictable demands on the online store to supply the products they had previously purchased in person. By 2020, 84% of consumers, more than ever before, had bought products and services online (Stanimirovic 2021: 4).

Initially, online retailers struggled to meet this enormous demand. Products sold out at an alarming rate, stock dwindled or vanished entirely, and shipment lagged. Eventually, online stores caught up to this new, increased demand. Along with increased product demand, there was a shift in consumer expectations of what the online shopping experience should entail. As a result of these new expectations, different trends in online consumer behaviour emerged. Even as brick-and-mortar stores began to reopen, most consumers continued to make purchases through online buying. Consumers discovered positive aspects of online buying that they did not find in traditional offline buying experiences. These positive online shopping experiences encouraged new consumer behaviour trends to take a firm hold.

### **2.6.1 Determinants of online buying behaviour**

Various internal and external factors influence consumer purchasing behaviour patterns, both positively and negatively. Studying and comprehending these factors aid in gaining a better understanding of consumer behaviour. According to Dumaz (2014: 19), the main factors influencing consumer purchasing behaviour are psychological factors related to motivation, learning (conceptual or experiential), attitudes, and beliefs. In addition, demographic characteristics are also an integral part of the decision-making process during online buying.

#### **2.6.1.1 Online consumers in terms of demographics**

According to Nagra and Gopal (2013: 1), in the online buying world, the demographics of the consumer influence online buying behaviour. Age is regarded as one of the most important demographic factors influencing consumer buying behaviour. According to Rani (2014: 47), age is an important factor in marketing strategy because it creates a critical difference between personal decisions and consumers' consumption patterns and habits. Consumers' ethical orientation and buying behaviour can be influenced by their previous experiences (Jayawardhena *et al.* 2016: 19). In this line of thinking, this current study

explores demographic segmentation with regards to online buying and further evaluates the influence this segmentation has on online buying behaviour, as well as on e-WOM.

A study by Richa (2012: 2) on "The Effect of Demographic Factors of Consumers during Online Shopping Behaviour: An Analysis of Consumers in India" showed that people of various ages and income levels have varying attitudes toward online buying. The author used a questionnaire survey that was distributed in five major Indian cities, with 580 respondents providing empirical evidence. The study's findings revealed that various and significant demographic characteristics, such as age, had a positive effect on online buying in India. However, it is worth noting that the context in which the study was conducted and the nature of the products or services being purchased could have influenced such results. It is thus important to continue exploring how demographics influence online buying behaviour, particularly in these ever-changing socio-economic landscapes.

A similar study about "Gender, Age, and Education: Do they really moderate online music acceptance?" was carried out by Suki (2011: 35). To test the study's hypothesis, 200 questionnaires were distributed among early adopters of music listeners in an observational survey. The study found that online music acceptance was heavily influenced by perceived playfulness and ease of use when it came to online music shopping by young people aged 25 and up and males with a good education. The findings of this study further underscore the significance of the demographics for online buying behaviour; however, the time factor, target population, product, and context, amongst others, in which the study has been conducted could also have influenced such patterns. As such, it is thus important to continue exploring the role of demographics on online buying behaviour in different contexts and thus continue adding further insights to this phenomenon.

This current study will focus on one aspect of demographics, namely age. The researcher would like to find out how different age segments engage in online buying and how e-WOM influences their online buying processes. The following section presents different generational cohorts used for this study.

#### a) Generational Cohorts

Consumers are often segmented by generational cohorts for marketing purposes. Retailers and consumer researchers have spent years trying to understand millennials, but now they are trying to figure out how Generation Z differs from millennials (Schlossberg 2016: 10). According to Baizley (2018: 1), different generational cohorts have different responses to different goods and their advertisements. These two generational cohorts are different from other cohorts in terms of education and marketing because they are more tech-savvy, tech-linked, price conscious, and conduct more product studies (Bridgeworks 2017: 1).

Young people are the main users of OIM platforms, and this group of people will have tremendous usage potential in a few years. It is believed that events shared by all people born around the same time have a similar impact on their values and consumer motivations, implying that generational cohorts are a useful tool for understanding consumer behaviour (Arli and Pekerti 2016: 1). However, this school of thought does not explicitly indicate if this pattern is also congruent with e-WOM and the ultimate online buying behaviour. This is an important milestone, as this current study seeks to examine how the two main generational cohorts of millennials and Generation Z are affected by e-WOM during their interactions on OIM when making purchasing decisions. This is imperative, as these latest generations have a number of distinct characteristics that should be thoroughly investigated (Nusair, Parsa, and Cobanoglu 2011: 18).

#### b) Millennials

Millennials are defined differently by different sources, but they are usually those born between 1980 and 1994 (Bridgeworks 2017: 2), putting them between the ages of 27 and 41 in 2021. Although Generation Y is sometimes referred to as a separate generation, its age range is included in the millennial group. Millennials accounted for 14 million people in South Africa (or 27% of the population) (IOL 2019: 1).

A study done by (Hirzianto, Yuliati and Kirbrandoko (2019: 490) on the role of e-WOM in consumer-mediated purchasing found that millennials use e-WOM in the form of reviews, forums, recommendations, and referrals received through social networking sites as the

basis for their purchasing decisions. The study also concluded that e-WOM also has a greater influence on the purchase of certain product categories than others. Marketers should thus carefully examine the millennial shopper's potential as well as the role of e-WOM in the explosion of online buying. Moreover, in support of this school of thought, a study done by Ouellette (2020: 1) indicated that nowadays consumers, more specifically, millennials are highly digital in other aspects of their lives, thus naturally incorporating digital into their buying decision process. The same study showed that 80% of consumers never buy anything without first reading a review online.

#### c) Generation Z

Generation Z refers to people born between 1995 and 2010 (Seemiller and Grace 2015: 58). According to TransUnion (2020: 1), Generation Z accounts for 46% of consumers in South Africa, or 27.5 million people, making them the most populous generation. There is little academic research on Generation Z because they are still young, but they are a significant consumer group for online products, and businesses want to know how they differ from millennials.

##### **2.6.1.2 e-WOM as an influencing factor**

As discussed earlier, the growth and popularity of the internet have contributed to the formation of a modern concept of word-of-mouth (WOM): electronic word-of-mouth (e-WOM) which is considered among the most influential informal media amongst consumers, businesses and the general public during online buying. The purchasing behaviour of a product can be influenced by online user recommendations. Consumers may share positive interactions through e-WOM, which boosts brand trust and purchase intent. Negative e-WOM, on the other hand, has the opposite impact (Seifert and Kwon 2015: 94). Wu and Lin (2016: 137) and Matute, Polo-Redondo and Utrillas (2016: 1091) emphasise that online purchasing behaviours are now influenced by previous consumers' feedback and recommendations. On social media, people can now share their thoughts and perceptions about goods and services with their friends and acquaintances. This reduced anonymity has the potential to improve the trustworthiness and reliability of e-WOM information; hence the ultimate online buying decision.

According to the theory of reasoned action, subjective norms, such as social influence or e-WOM advice, are effective means of influencing the attitude and behaviour of an individual (Fishbein and Ajzen, 1975). Previous research (Ouellette 2020: 1; Zhao, Wang, Tang and Zhang 2020: 29) has shown that data from external sources (such as online consumer reviews) will increase the trust of consumers about their attitude towards an object, and this attitude can direct the behaviour towards the object later. Generally, consumers use online interactive media during the purchasing process (collecting information, evaluating alternatives, and selecting the best alternative) and even post-purchase when they post their own experience on social media (Oblak, Barcic, Klaric, Kuzman and Groselj 2017: 39).

A study done by (Ouellette 2020: 1), indicated that nowadays, consumers are highly digital in other aspects of their lives, thus naturally incorporating digital into their consumer behaviour. The same study showed that 80% of consumers never buy anything without first reading a review on OIM, regarded as e-WOM in this study. Another study showed that most consumers believe that online views are more reliable than brand websites (Zhao et al. 2020: 29). Thus, marketers must not overlook the power of OIM especially when disgruntled consumers post negative content because it creates more lasting effects and is more influential than good content.

Ismagilova *et al.* (2017: 11) also indicated that e-WOM is regarded as an important source of information influencing the consumer decision-making process. One of the fundamental factors that augments online retailing is e-WOM. Owing to the abundance of online information, information adoption protocols have been revised, which has had a huge impact on online purchasing behaviours. As previously mentioned, consumer review websites, shopping platforms, blogs, and discussion forums are some of the most common e-WOM platforms. The mass media has provided consumers with a vast amount of information, which has influenced their decision-making process.

Consumers' mental, affective, and cognitive responses are significantly influenced by e-WOM through OIM (Yan *et al.* 2018: 3). Consumers trust online product reviews about twelve times more than advertisements created by the sellers themselves, which has

contributed to market acceptance of e-WOM messages. Accepting the information and advice available in the form of feedback and comments, which influence consumers' behavioural intentions, is referred to as e-WOM message adoption (Saremi and Montazemi 2019: 67). For online consumers, e-WOM contact in the form of reviews and comments posted on OIM platforms is becoming increasingly relevant.

Online product reviews are user-generated content that prospective buyers regard as more reliable than seller-generated content (Kim, Maslowska and Malthouse 2017: 219). Consumers are increasingly relying on online product reviews to help them make purchasing decisions. Because of the informational content of the review and the social impact of all of the cumulative feedback in the context of product ranking (Cheung *et al.* 2009: 83; Kim *et al.* 2017: 238; Moran and Muzellec 2014: 127), online user reviews may be convincing. As the majority of reviews are regularly presented in the same way (positive, neutral, or negative), also known as review valence, the normative power of the reviews to affect attitudes toward purchasing and purchase intentions increase, and customers find the reviews more credible. (Kim *et al.* 2018: 307; Kim *et al.* 2017: 219).

Social networking is a very effective tool in this new era and with the growing need to adapt marketing to the new front. Facebook is one of the most popular methods used to sell goods to consumers, and Facebook and Twitter platforms are mainly used by businesses to raise visibility and fan base for the targeted audience (Simon, Brexendorf and Fassnacht 2016: 16). The consumer now has the power to stop advertisements and expect only at their discretion to have an engagement channel involving contact with other consumers and with the business. Consumers no longer want to be merely passive spectators; they want to engage and voice their opinions about a company or a product. (Bonchek 2014: 13) indicated that today's consumers are more educated and inclined towards quality and want the experience of previous buyers before they commit to a purchase.

The digital media enables consumers to access information not just from the few people that know about products and services, but also from a large, geographically scattered community of people who have experience with the relevant goods or services

(Ratchford, Talukdar and Lee 2016: 8). This phenomenon affects retailers in a positive or negative way because the decision to consume could be greatly affected by this readily accessible information. Brand image can be ruined mostly by negative e-WOM that goes viral. Before the rise of digital media, a consumer's decision was only influenced by people in her/his circle, but nowadays a comment posted by a consumer in Cape Town can influence the buying behaviour of a consumer in Johannesburg or even Europe. This shows how powerful e-WOM is, and companies need to be ahead with their marketing strategies.

Numerous possibilities for e-WOM communication have been developed by web-based technologies. This phenomenon affects retailers because consumer buying decisions may be dramatically influenced by this easily accessible information. Online access enables one-to-many and many-to-many user connections that make the sharing of information much quicker and wider, including the distribution of negative information (Yang 2017: 94). This mode of communication has taken on importance with the advent of online platforms, making it one of the most influential sources of information on the Web (Abubakar and Ilkan 2016: 193).

Due to technological advancements, these modern modes of communication have contributed to changes in consumer behaviour (Cantalops and Salvi 2014: 42; Gómez-Suárez, Martinez-Ruiz and Martinez-Caraballo 2017: 3) owing to the impact they empower consumers to exert influence on one another by allowing them to access or exchange knowledge about businesses, goods or brands (Gómez-Suárez *et al.* 2017: 3; Jalilvand and Samiei 2012: 592).

Compared with conventional media, consumers find e-WOM communications more trustworthy because e-WOM communications offer product/service information to consumers (Ismagilova *et al.* 2017: 6). Using e-WOM communications during the buying decision allows consumers to have greater trust in understanding products/services, reduces the risk of making poor purchasing decisions and helps in gaining social approval (Saleem and Ellahi 2017: 620).

Previous studies (Filieri, Raguseo and Vitari 2018; Filieri 2015: 1268; Floyd, Freling, Alhoqail, Cho and Freling 2014: 230; Nam, Baker, Ahmad and Goo 2018: 16; Wang, Cunningham and Eastin 2015: 157; Yan, Wang and Chau 2015: 655), found that e-WOM is believed to be an important source of information that affects human behaviour substantially influencing the way consumers make buying decisions (Jeong and Koo 2015: 28; Lee, Keeling and Urbaczewski 2017: 8).

Moreover, in other studies, it has been well-established that e-WOM communications have a major impact on consumer behaviour. Several studies examined the relationship between established e-WOMs and its effect on purchasing intentions (Fullerton 2017: 1; Ruiz-Mafe, Chatzipanagiotou and Curras-Perez 2018: 1; Tata, Prashar and Gupta 2019: 2; Bhandari and Rodgers 2017: 139; Netto, Carneiro, de Oliveira and Monteiro 2016: 618; Saleem and Ellahi 2017: 620; Torlak, Ozkara, Tiltay, Cengiz and Dulger 2014:61). In these studies, the majority of consumers indicated that online reviews influence their buying decisions significantly. However, it is also important to explore the contextual drivers that ultimately lead to ultimate online buying behaviour. As such, this study embeds the contextual issues related to the generational segment and demographics to contribute insights on the importance of e-WOM to consumer online purchase decisions.

So many empirical studies (Chen, Chen and Chen 2014: 101; Erkan and Evans 2016: 53; Plotkina and Munzel 2016: 9) have found the impact of e-WOM on the intention of consumers to purchase goods or services, for instance, on buying behaviour of cars (Jalilvand and Samiei 2012a: 475), laptops (Aerts, Smits and Verlegh 2017: 862; Uribe, Buzeta and Velásquez 2016: 4408) smartphones (Chen *et al.* 2016), the intention to choose tourist destinations (Jalilvand and Samiei 2012b), and the intention to book hotels (Agag and El-Masry 2016: 109; Ladhari and Michaud 2015: 43; Teng, Khong, Chong and Lin 2017: 249), to name a few. In addition, Baber, Thurasamy, Malik, Sadiq, Islam and Sajjad (2016: 398) found that the information obtained from the e-WOM platform was more important and useful in decision-making processes, than talking to personal friends (WOM).



The above studies are also supported in a study conducted by Mihir Joshi and Vinod Kumar Singh (2017: 153) using regression analysis which shows that there is a strong relationship between e-WOM and purchase intention ( $R = 0.675$ ). E-WOM accounts for a 45.5% variance in the purchase intention of consumers. A positive relationship between e-WOM and purchasing behaviour has also been verified by communication studies (Erkan and Evans 2016: 85; Kim *et al.* 2018: 307). In the case of online shopping, research has discovered that social media exposure to subjective norms can affect attitudes toward purchase (de Lenne and Vandenbosch 2017: 127).

Consumers are increasingly trusting other customers' views, so e-WOM in the form of online consumer feedback can have a significant normative effect (Kim *et al.* 2017: 219; Moran and Muzellec 2014: 8). Positive e-WOM has a positive impact on attitude towards the purchase and purchase intention, according to the Theory of Reasoned Action and previous studies, whereas negative e-WOM has the opposite effect (Lee *et al.* 2008: 29; Park and Lee 2009: 83). Furthermore, studies have shown that the online reviews that consumers read before making a purchase influence 70% of their buying behaviour (Joshi and Singh 2017: 150).

Some studies, nonetheless, have conflicting findings on different characteristics of e-WOM affecting buying behaviour (Dou, Walden, Lee and Lee 2012: 1561; Flanagan, Metzger, Pure, Markov and Hartsell 2014: 20; He and Bond 2015: 1525; Reimer and Benkenstein 2016: 5999; Zainal *et al.* 2017: 43). Sen (2008: 626) and Sen and Lerman (2007: 92) also reported that e-WOM's impact was not as successful as the conventional face-to-face mouth (WOM) effect. Differences in results could be due to different contexts, sample size, population characteristics, methodological approaches and study settings, and validity and reliability in the studies involved. Thus, it is important to conduct another study to try and fill the gap left by previous studies using South African online consumers' context, with much emphasis on the role of the demographic factors, as well as the generation segment.

Advertising practitioners have long accepted that consumers who spread their opinions play a major role in influencing and accelerating the distribution of information and this

leads to quality decisions being made by consumers (Malthouse, Haenlein, Skiera and Zhang 2013: 278). Generally, several authors agree that e-WOM is viewed as highly influential because of its credibility as a type of active processing in which consumers determine the reliability of the source and its independence from the interests of the marketers (Yoon and Taylor 2015: 69; De Pelsmacker, Dens, and Kolomiiets 2018: 18; Kim et al. 2018: 335; Seo et al. 2018: 39; Shin, Chae, and Ko 2018: 822) De Pelsmacker, Dens, and Kolomiiets 2018: 18; Kim *et al.* 2018: 335; Seo *et al.* 2018: 39; Shin, Chae, and Ko 2018: 822).

The indication points to consumers ignoring marketer-influenced signals such as branding and focusing on other consumers' unfiltered e-WOM instead. Therefore, when marketers develop digital media strategies, they must understand the effects of e-WOM, both in terms of source credibility and message configuration, particularly positive and negative feelings expressed in conversations posted on different SNS sites. Most significantly, e-WOM often enables consumers to exert both informative and normative control on product or service assessments and buy intention to fellow consumers. E-WOM is said to affect knowledge, beliefs, perceptions, attitude, behavioural intentions and behaviour towards a product or service (Koo 2016: 40).

Although e-WOM has been found to have a positive relationship with consumer behaviour, consumers have been perplexed by the vast amount of information available on online channels when it comes to obtaining accurate information. Initially, it was claimed that consumers need access to a wide range of information to make informed decisions. However, as evaluating accurate details becomes more difficult, this paradox has completely changed. According to Lever, Mulvey and Elliot (2017: 2), consumers are confused, because of questions about authenticity and reputation. Mostly, the same product or service can have both negative and positive e-WOM, thus consumers will not know which reviewer was genuine and which one to follow.

The previous discussions in the paragraphs above highlighted the importance of e-WOM during the consumer decision-making process. There is a high probability that these comments can be manipulated, hence what consumers will get from e-WOM will not be

a true reflection of what is on the ground. Companies nowadays use software to remove negative comments on their pages and bots which put random positive comments. So basically, it is possible that all the e-WOM is not a true reflection of consumers' feelings towards a brand; therefore, prospective consumers' decisions to buy or not to buy might be based on bogus facts.

Despite the fact that the studies previously reported discovered the influence of e-WOM in social media, this mechanism between e-WOM and consumers' purchase decision is yet to be clarified, and this is due to the interplay between various intrinsic and extrinsic factors when a consumer attempts to make an online purchase decision. It is thus envisioned that this current study will determine this relationship and contribute further insights to this on-going debate.

*a. Effects of e-WOM on consumer behaviour during COVID-19 pandemic*

One interesting phenomenon that comes in handy during this time when the current study is on-going lies in the COVID-19 pandemic outbreak. During the COVID-19 pandemic, consumers went online to learn more about products and brands. They began to follow more social media influencers as their desire for new content grew and their time spent on social media increased. The COVID-19 pandemic, strict social distancing policies for combating the pandemic have increased the online purchase behaviour of customers (Ellison et al. 2020: 59; Guthrie, Fosso-Wamba, and Arnaud 2021: 3). Obviously, the COVID-19 pandemic is a strong push for the global market to use more and more online transactions (Donthu and Gustafsson 2020: 286). In the pandemic, consumer purchase behaviour has been influenced by the outbreak of this disease (Truong and Truong 2022: 2). As a consequence, electronic word of mouth (eWOM), have appeared to be one of the key thematic evolutions of online buying research (Verma and Yadav 2021: 113).

According to a study conducted by Karjala (2021: 8), e-WOM has a significant influence on consumer purchase decisions, and the COVID-19 pandemic has highlighted the importance of social media as an information source. In these exceptional circumstances, businesses must adapt to changes in consumer behaviour in order to maintain profitability and a competitive advantage.

Susanti *et al* (2021: 70) conducted research to analyse, test, and determine the effect of the e-WOM message on buying interest mediated by brand trust in the Micro, Small, and Medium Enterprises (MSME) group in the West Jakarta area during the COVID-19 pandemic. The study's findings revealed that the impact of e-WOM on brand trust increased consumer purchasing interest in the MSME group during the COVID-19 pandemic. During the pandemic, the role of e-WOM facilitated activities in fulfilling daily life, such as shopping, because many malls and shops were closed at the start of the lockdown and restaurants only served takeout. As a result, e-WOM is now regarded as the most powerful factor influencing consumers.

Since most consumers were switching brands because of the price, availability, online presence and their first experience with that particular brand, they are likely to consult e-WOM to validate their decisions and guarantee value for money. Consumers' purchasing power has been eroded and they would not want to risk the little they have; thus, e-WOM becomes useful at this point. Since most of the purchases are online, consumers also consult e-WOM to avoid the delivery risk mentioned earlier in this literature. Consumers also want to know if the vendor delivers the exact items purchased and on time. Marketers must therefore not underestimate the importance of e-WOM during this COVID-19 pandemic era because consumers are using it more often than ever before.

## **2.7 GAPS IN THE LITERATURE**

OIM has grown into a significant channel for businesses and individuals to communicate with customers. The purpose of this study is to advance the understanding of and promote research on the factors influencing consumers' desire to buy online. While there is an agreement on the importance of OIM as a source of consumer behaviour information, there is still a lack of a comprehensive theorisation of the variables influencing the relationship between behavioural intention and the intent to buy online.

By 2019, Ouellette (2020: 1) estimated there were 1.92 billion digital buyers and 14.1% of retail sales were e-Commerce. Online retail sales are expected to rise from 14.1% to 22% in 2023. (Ouellette 2020: 1). COVID-19 may have pushed the percentage above 22%. E-Commerce has grown because consumers feel safe shopping online from home. To

maximise profits, businesses must keep up with the trends (Ferreira and Barbosa 2017: 46).

The literature revealed the impact of e-WOM on brand trust increased consumer purchasing interest in the MSME group during the COVID-19 pandemic. During the pandemic, the role of e-WOM facilitated activities in fulfilling daily life, such as shopping, because many malls and shops were closed at the start of the lockdown, and restaurants only served takeout. As a result, e-WOM is now regarded as the most powerful factor influencing consumers (Karjala 2021: 8).

This chapter has established what e-WOM is and identified its relationship with consumer buying behaviour. A review of the literature indicates that in some studies there is a significant relationship between e-WOM and consumer buying behaviour while other studies reveal that there is no such relationship. Further, there are contradictions as to which e-WOM factors influence consumer behaviour. Some studies suggest that volume, valence and trust influence online buying behaviour while other studies indicate that they do not have an influence during online buying. This study seeks to close the gap left by previous studies on the contradictions and ongoing debate regarding the role of e-WOM in consumer buying behaviour.

## **2.8 CONCLUSION**

This chapter discussed the concept of online buying and its ultimate influence on consumer online buying behaviour. The chapter further presents the various digital platforms through which consumers make their online purchases. The chapter also discusses the advent of the digital OIM, where e-WOM has emerged as an increasingly popular digital platform through which consumers make their purchases. Related to this is the relationship between e-WOM and online buying behaviour. From a review of related studies regarding this relationship, there are still contradictions regarding the role of e-WOM on online buying behaviour, a scenario that is also influenced by different factors. The chapter also presented the influence that COVID-19 had on e-WOM and online buying. Although e-WOM has always existed, it is now more relevant than ever. This relevance is primarily due to people spending more time at home and on computers than

they would otherwise do due to COVID-19. As a result, the story of a consumer's positive or negative experience will most likely be shared online in a matter of time. The power of e-WOM has grown during COVID-19 and increased its influence in shaping consumer behaviour. Generally, these underlying issues, therefore, motivate this study. The aim of this study is to investigate the influence of electronic word-of-mouth (e-WOM) on the online consumer buying behaviour process. While the objective is to determine the factors of e-WOM that influences the consumers' buying decision-making process.

Thus, the next chapter will present the literature based on the aim and objective highlighted above.

## **CHAPTER THREE**

### **OVERVIEW OF CONSUMER BEHAVIOUR**

#### **3.1 INTRODUCTION**

The previous chapter established what e-WOM is and identified that it has a significant relationship with consumer buying behaviour. This chapter describes consumer behaviour and how it is impacted by online buying. Furthermore, a discussion of how e-WOM evolved is given, with a further presentation on the influence of e-WOM on the consumer buying behaviour process. The factors of e-WOM that influence consumers' buying decision-making process are also discussed. More importantly, the chapter also identifies relevant theoretical underpinnings to help in explaining consumer behaviour, putting more emphasis on the context of the study with regards to e-WOM platforms. Based on the findings, this study proposes a framework for an e-WOM strategy.

The overall aim of this study is to investigate the influence of electronic word-of-mouth (e-WOM) on the online consumer buying behaviour process. In order to achieve this aim, this chapter will present a literature review with the following objectives:

1. To establish what e-WOM is and discuss its relationship with consumers' buying behaviour process.
2. To establish the influence of e-WOM on consumers' buying behaviour process.
3. To determine the factors of e-WOM that influence consumers' buying decision-making process.

#### **3.2 CONSUMER BEHAVIOUR DEFINED**

Various definitions of consumer behaviour have been put forward by different authors, capturing different dimensions. Some of these definitions are discussed in the section that follows, and from the synthesis of these definitions, an operational definition and context of consumer behaviour as used in this study are selected.

Engel, Blackwell and Maniard (EBM) of the consumer decision-making theory define consumer behaviour as the actions and decision-making processes of people who purchase goods and services for personal consumption (Engel, Blackwell, and Maniard

1995:38). A similar definition that captures the decision-making dimension is given by Loudon and Bitta (2013: 46). However, these authors further expand on the nature of decisions with regards to how consumers decide on how to spend available resources like time, money and effort on the consumption of different products and services. Embedded in this definition is what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it. Like the previous definition as provided by Engel et al. (1995:38), the definition by Loudon and Bitta (2013: 46) fails to explicitly describe the decision-making process before and after the purchase.

Solomon (2015: 359) brings another interesting dimension of consumer behaviour as a repetitive purchase behaviour without finding more details or alternatives available for evaluation. The definition by Solomon (2015: 359) only covers routine buying and does not explain what happens when a consumer is faced with a complex buying situation. On the other hand, Ginting and Hartimbul (2011: 47) defined consumer behaviour as personal activity in the decision-making before action is taken, acquisition and use, manufacture of goods and the economic service.

Chand's definition (2020: 2) adds another dimension by capturing the process of not only individuals but also of groups and organisations making decisions about buying, using, and dispensing ideas, goods, and services to meet their needs and desires. While these definitions describe consumer behaviour as a process, they are silent on the mental and emotional processes consumers go through when making buying choices. This consideration is captured by Karimi, Mahdiah and Rahmani (2013: 283), who defined consumer behaviour as the mental, physical, and emotional actions that people perform during the selection, purchase, consumption and disposal of goods and services to satisfy their needs.

Having identified the weaknesses of the definitions by the authors above, one could thus derive an operational definition that captures most of the dimensions of consumer behaviour. These dimensions focus on consumers mental and emotional situation when they make a decision, organisations as consumers, processes that go into buying decisions, resources involved and before and after purchase behaviours among other



factors. The definition by Kardes, Cronley and Cline (2017: 7) was somehow conceptualised in such a way that it captured most of these issues.

Kardes et al. (2017: 17) define consumer behaviour as all actions related to the buying, use, and disposal of goods and services, including the consumer's emotional, behavioural and mental responses that precede or follow these actions. The authors went on to explain that the term "consumer" can refer to both individual and organisational consumers, and more specifically, an end-user, but not necessarily a purchaser, in a goods and services' distribution chain. Kardes *et al.* (2017: 7) provide a more applicable definition. The definition is the most relevant to the aims of this study, given the emphasis it places on all the stages of buying behaviour. The definition encompasses all the stages a consumer goes through, from buying, consumption and disposal and does not matter whether it is an online or physical purchase.

Breaking down the definition of consumer behaviour into three parts, the following are activities involved during the buying process: (i) the acquisition of goods or services; (ii) how consumers procure products and services; and (iii) all actions preceding a purchase decision, which include information search and evaluating goods and services, including the purchase experience. While usage activities relate to the who, where, when, and how of consumption and the usage experience, including symbolic associations as well as the way products are distributed within consumption units or families. Finally, the disposal activities refer to how consumers dispose of products and packaging after use. These are important components of consumer behaviour and thus play an integral role in conceptualising or understanding this dimension. Consumer responses (behaviour) can be emotional (or affective) in nature, such as feelings or moods, or mental (or cognitive) in nature. Theoretical underpinnings provide the basis for understanding such behaviour, which is discussed in the subsequent sections.

### **3.3 THEORETICAL APPROACH TO CONSUMER BEHAVIOUR**

From the definitions outlined above, it is clear that the consumer buying process encompasses interaction; thus, in order to fully understand the consumer and establish a marketing strategy, one needs to understand what the consumer's perception is, the

effect and actions and where the effect happens and what the consumer thinks, feels and does. The strategy evaluates the impact of the event on influence, cognition and behaviour within that context, as well as in market research. Vainikka (2015: 27) states that the study of the three factors (influence, cognition and behaviour) is very useful in identifying and designing marketing strategies when assessing consumer behaviour.

An understanding of the behaviours as discussed above will be done by unpacking the theories of consumer behaviour and online buying behaviour. Piligrimiene, Zukauskaitė, Korzilius, Banyte and Dovaliene (2020: 3) argue that the marketing strategies used before the emergence of e-WOM are no longer relevant in today's world; hence, marketers need to keep abreast with changing technology and adjust their strategies in order to gain and retain new clients. However, these marketing strategies can still provide important insights in trying to understand consumer behaviour.

The value of consumer behaviour as an avenue of study deserving recognition from the research community is underlined by a rising body of literature published over the past three decades. The same literature, however, indicates that the study of consumer behaviour is highly complex and that only a portion of its richness can be captured by conventional research measures (Myers et al., 1979; Pfeffer 1993; Summers 2001; McInnis 2004; Levy 2006). Consumer behaviour, trust, electronic word-of-mouth communication and behaviour of consumers is a complex subject that involves multiple viewpoints and use various disciplinary approaches such as research into consumer culture theory, transformative consumer research, social cognition research stream, the research field of motivation, theory of behavioural decision.

It is the purpose of this study to understand the interactions consumers have with other consumers during their buying process and to unpack if the online interactive media affect this buying decision using theories. The section below discusses different theories relating to consumer buying behaviour, especially when they are buying online. Firstly, the primary theories of the study which are EBM decision model and theory of planned behaviour. Further, supporting theories which include theoretical model of online

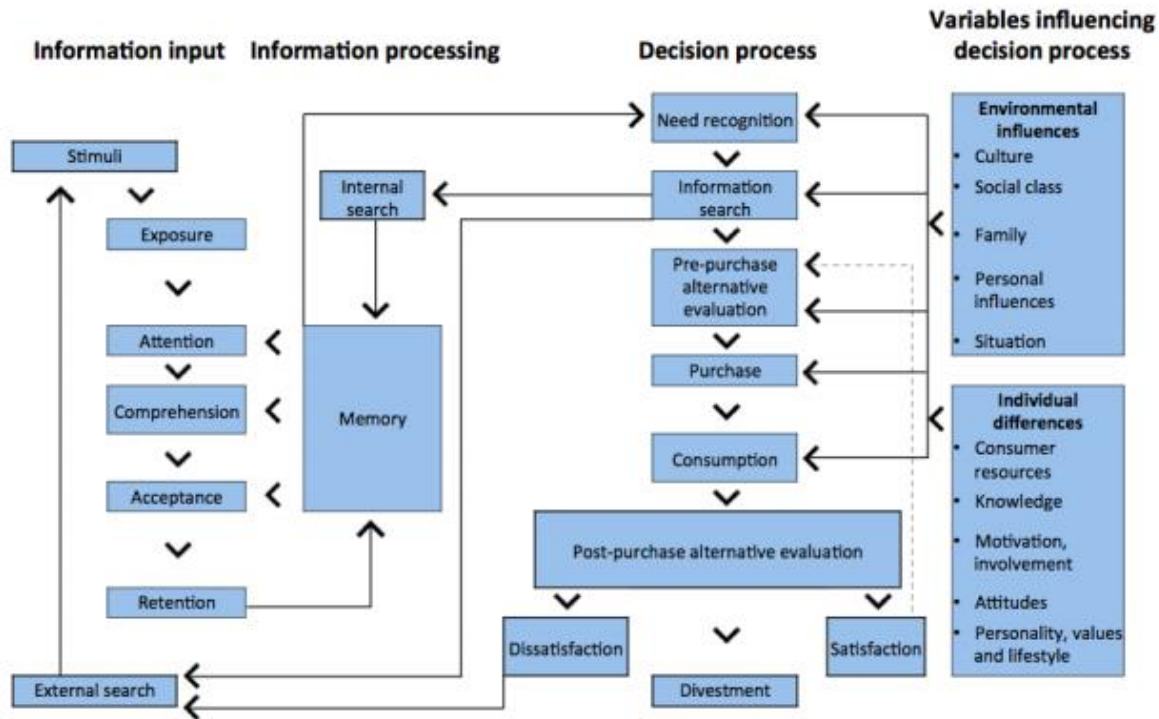
behaviour, theory of reasoned action and information acceptance model will also be discussed. EBM model will be discussed in the following section.

### **3.3.1 Engel, Blackwell and Miniard (EBM) Decision-Making model**

Engel, Kollat and Blackwell (EKB) model was developed in 1968 by J.F. Engel, D.T. Kollat and R.D. Blackwell. The name comes from the first letters of the names of its creators. The EKB model was reviewed and together with a new author, Miniard, the model became known as the Engel, Blackwell, and Miniard model (known as the EBM model). It is important to note is that the EBM model is based on the same model as that of Engel Kollat and Blackwell (Engel, Blackwell and Miniard (1995: 148). The seminal Engel, Blackwell and Miniard (EMB) consumer decision-making model (1968) is one of the core theories of consumer behaviour and one of the structural models of consumer behaviour. It is a holistic model with a full description of the decision-making problem, reflecting the consumer behaviour process during choosing a product or service.

As depicted in Figure 3.1 below, the EBM decision-making model comprises four components, namely, the input of information, processing of information, stages of the decision-making process and variables of the decision-making process (Rossanty and Nasution 2018: 3077). The model envisions the purchase process as a series of discrete actions, typically precipitated by a conscious recognition of an unsatisfied need. It is grounded in a micro-utilitarian perspective. Consequently, it conceptualises a solitary, rational decision-maker who systematically accesses and sifts through information to maximise utility (Solomon, Bamossy, Askegaard and Hogg 2016: 34). It asserts that consumers go through a fixed sequence of distinct stages when they make purchase decisions.

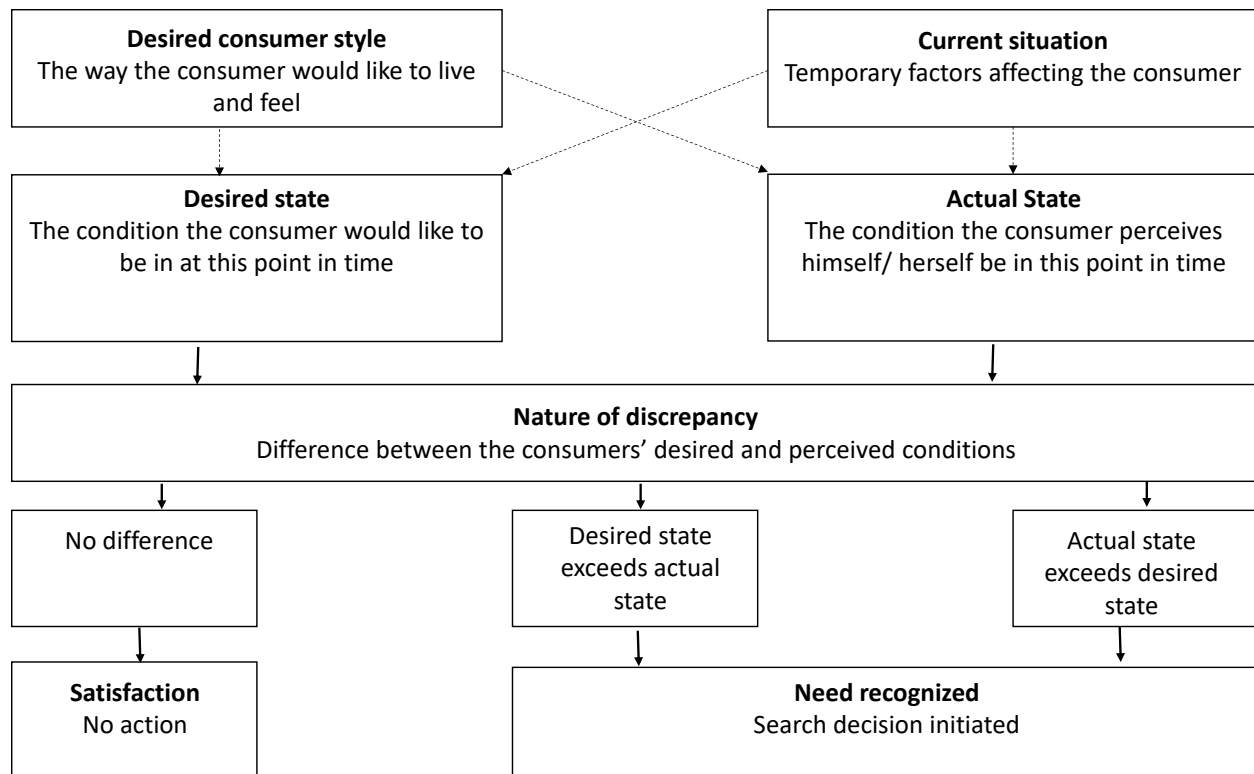
However, this study will focus on the stages of decision-making, as well as emphasising the variables influencing the decision-making process, which is line with the objectives of this study. The model proposes a sequential process of decision-making consisting of (i) problem recognition, (ii) information search, (iii) evaluation of alternatives, (iv) purchase, and (v) post-purchase evaluation (Engel *et al.* 1995: 39). Each stage of the decision-making process is further explained below.



**Figure 3.1: Engel, Blackwell and Miniard (EBM) Decision-Making Model (Source: Engel et al. 1995:154)**

### 3.3.1.1 Need recognition

The first stage of the buyer decision-making process needs recognition (see Figure 3.2). Internal stimuli (such as hunger) or external stimuli (such as advertisements) alert the consumer to the fact that there is a discrepancy between their existing and desired states (Rossanty et al. 2018: 107). This situation is sufficient for the decision-making process to be aroused and activated. Therefore, recognition of needs relies on the difference between the actual condition of the consumer and the situation in which the consumer wishes to be. When the difference approaches or exceeds a certain threshold, a need is recognised, although this does not necessarily mean instant intervention. In this case, the consumer initiates utilisation of the e-WOM to kick-start this process as they search for more information to address this need.



**Figure 3.2: Need Recognition Process (Source: Hawkins et al. 2001: 510)**

According to Engel *et al.* (1995: 176), two factors affect the willingness of consumers to activate action once a need has been established: the need has to be sufficiently significant to the consumer, and the solution has to be within the consumer's means. In addition to the above, Hawkins *et al.* (2001: 510) note that the magnitude of the disparity between the real and desired states would also affect the willingness of the consumer to respond to the need. This is when e-WOM becomes an important platform through which the consumer can satisfy this need. It is possible to distinguish two different types of need recognition styles among consumers namely actual state or desired state (McInnis and Jaworski 2011: 5).

Because of current unsatisfactory product results, real state types relate to the recognition of need. Desired forms of state apply to the issue and need recognition for something new that can activate the process of decision-making. The authors add to the above by noting that needs may either be active or inactive, where active needs suggest that, in

the usual course of events, consumers are aware of the need or may become aware of it and inactive needs clearly reflect needs that are not yet known to the consumer.

### **3.3.1.2 Information search**

Following the recognition of a need, a consumer conducts a 'search' in memory to establish whether enough information about the options is available to make a decision. This memory could also include e-WOM information based on the consumers' and others' experiences. If internal knowledge is insufficient to augment current knowledge, an external search is required. Because of the high risk involved in online purchases, there will be a greater amount and intensity of search. External searches are typically conducted via personal sources (friends and family), commercial sources (advertisements), and digital e-WOM platforms like social networking sites (Facebook, Twitter). User reviews on SNS are seen as providing a more complete and reliable product evaluation (Kotler and Armstrong 2014: 62).

The search continues until enough high-quality information is gathered, but it is limited by the availability and quantity of information and within the context of e-WOM, this is also dependent on the reviews that one gets from the digital OIM platforms. While a lack of information definitely restricts decision-making, an abundance of information also impedes good decisions due to limitations in consumers' information processing capabilities. And because e-WOM adds a new dimension to information search, its effects are the primary focus of this research.

Consumers rely heavily on the internet to collect information in this digital age, so a company must be active on various media platforms such as Facebook where consumers search for reviews. Customarily, once a consumer is aware of a specific requirement or desire, he or she consults numerous information sources, including marketing advertisements, other individuals and even past experiences, to define preferences. Digital culture has pushed consumers' dependence away from professional marketing information sources in favour of non-professional sources such as consumer feedback, search engines, blogs, branded social media sites or client-created photo feeds.

#### **3.3.1.3 Evaluation of alternatives**

Once the information has been gathered, the consumer uses it to assess and evaluate the various product options before making a purchase decision. Though presented separately, the alternative evaluation and information search stages are closely interrelated during decision-making, and consumers frequently switch between the two. Within the context of this study, the amount and nature of the e-WOM reviews, whether positive or negative, could also have an influence on the switching process between the two stages. Alternative evaluation entails the selection of alternative choices and evaluative criteria. After that, the performance of the considered options is evaluated by comparing them with the salient criteria, and ultimately, decision rules are used to narrow down the alternatives to reach a final choice. This stage leads to the formation of attitudes, beliefs and intentions, which leads to the next stage of purchase (Prakash 2016: 3).

#### **3.3.1.4 Purchasing stage**

When the decision is made, the consumer moves to the fourth stage, where the chosen alternative is purchased (Dudovskiy 2015: 94). This phase is critical for marketers to recognise and reproduce what worked with their respective clients in order to duplicate the success with other clients. This could also become a source of positive e-WOM to influence the behaviour of other would-be consumers. Now that consumers have the option of being anywhere by visiting several 'places' at the touch of a screen, the impact of location can be diluted as a product choice container. Consumers can request social confirmation from others in the online environment for product choices and use decision support systems, such as recommendation systems, matrix comparison and sensory enabling technologies. One of the great ironies of this era is the proliferation of data on OIM for many consumers, the dilemma is not a shortage of options, but rather too many. In turn, this state of 'hyper option' generates even more demand for intermediaries who can serve to filter the excess of information as cultural gatekeepers.

### **3.3.1.5 Post-purchase**

The final step of the model is the post-purchase activities, which includes a long-term partnership with the consumer through the delivery of the service and the development of a brand image and loyalty (Longart, Wickens and Bakir 2016: 175). As such, today's post-purchase process is more open, networked, and consumer opinion is mediated by a wider pool of input obtained from beyond the direct reference groups of the consumer. In the next phase of a similar purchase, the outcome in the form of satisfaction/dissatisfaction serves as the input.

In a study conducted by Voramontri and Klieb (2019: 231), the findings show that the traditional decision-making model is still applicable in describing the decision-making process of consumers in the digital age. When compared to those using other sources of information, e-WOM users found decision-making to be easier and more effective. They also felt more confident and satisfied during the process. Those who thought e-WOM information was of higher quality and quantity than expected were more satisfied overall. This suggests that consumer satisfaction with social media was not negatively affected by information overload.

The EMB model has revealed the importance of OIM and e-WOM during the decision-making process. Consumers are now avidly sharing their thoughts, impressions, and product reviews online and eagerly searching other people's posts on their social networks (Tuten and Solomon 2012: 3). Industry research shows that 62% of millennial shoppers already know what they want to purchase through their research in the online environment before consumers enter a store, be it physical or online, and 84% state that consumer-written content on brand pages affects what they buy (Bazaarvoice 2013: 2). It seems, indeed, that a meal, clothing purchase, entertainment experience, or even a romantic relationship is not 'legitimate' for many young adults until they post it on Facebook, Twitter or other social platforms. Given the discussion above, it can be concluded that the old EBM model still offers useful insights and interpretations of consumer decision-making, although some slight tweaks are needed to align it with the digital world.



### **3.3.2 Reasons for adopting EBM theory in this study**

The EBM model is considered to be amongst the most significant works in the area of consumer behaviour (Schiffman and Kanuk 2008). The EBM model has long been a major consumer behaviour theory. Its writers may not have predicted the digital world of today. Although consumers' desires have not changed in certain respects (like having a dress or remaining healthy), the methods used to fulfil them have. The researcher selected this theory to explore the EBM model and its underlying concepts in order to explain the decision-making process in the digital world in which the EBM model now operates, years after it was first written. The theory was also selected to examine the utility and significance of the EBM decision-making model in a contemporary market where individual decision-making is guided by a powerful social group. This study conceptually unravels it to examine whether the model in today's online buying will continue to be significant. Because of its simplicity and versatility, the classical EBM model (Engel *et al.* 1990) is chosen to study the consumers' decision-making process to determine the model's applicability in the context of e-WOM usage.

In addition, the researcher selected the EBM model because it considers a wide range of variables that influence consumers to purchase and identifies a wide range of consumption behaviours beyond buying. The EBM model indicates that external factors also play a major role in consumer decision-making. The variables include groups, demographics, lifestyles, and social and cultural influences. Thus, this model is important for this study as it allows the researcher to determine the decision-making process that online consumers go through before they make a final purchase and allows us to determine the factors that influence online consumers to make certain choices. One of the objectives of this study is to establish whether e-WOM influences online consumers' decision-making. e-WOM comes from a group of previous consumers from social networks, and according to Engel's model, groups and personal influences play a major role in influencing buying behaviour.

Ashman, Solomon, and Wolny (2015: 131) investigated whether the EBM model was still valid in today's shopping environment given the participatory culture (e.g. social media). They claimed that the EBM model is still valid but could be extended or re-evaluated in

light of the new, participatory online environment. People's needs have not changed, but the mechanisms for satisfying them have. Ashman et al. (2015: 131) also claimed that the sequence and length of each stage of the decision-making process has been influenced by socialisation and digitisation. Some stages have become more time efficient whereas others now take longer. The decision-making stages are performed but each decision stage might be repeated, skipped or enhanced (Wolny and Charoensuksai 2014: 319).

The widespread use of the Internet has made decision-making more complex than existing models indicate. The retailer is not the only source of information; other consumers can also provide information and so the retailer has less control over and impact on consumers' behaviour. Customers switch channels and go through decision-making stages several times. In research and practice, there has been a shift towards dynamic models.

### **3.3.3 Theory of Planned Behaviour (TPB)**

Since the 1980s, the theory of planned behaviour (TPB) has been used to evaluate the acceptance of computer and ICT technologies (Jiang *et al.* 2016; Kim *et al.* 2016; Mou and Lin 2015). Proponents of TPB (Ajzen, 1991; Fishbein and Ajzen, 1975) suggest that the intention of a person to participate in a behaviour is affected by his or her attitudes towards the behaviour, subjective norms and perceived behavioural control, while his or her intentions and perceived behavioural control have an effect on actual behaviour. Cho, Choi, Lee and Cho (2015: 16) proposed that TPB is useful for investigating the effect on the behavioural intent of consumers of social and psychological variables.

To receive updated information and feedback on products and services, when consumers perceive reviews on OIM to have a high rather than a low level of usefulness, they may prefer to spend more time and effort learning about the products and services and rely more explicitly on OIM. Increased engagement in online shopping offers a viable way for consumers to develop a favourable attitude towards service providers, as evidenced by a more active role in enhancing the characteristics and perceived benefits of goods and services (Cheung and To 2016: 181).

The general premise of TPB is that when a consumer has a favourable attitude towards something, an individual is more likely to adopt a behaviour; he or she understands what other people think about his or her behaviour, as a result of taking more control over the expected barriers (Ajzen 1991: 183). According to TPB (Fishbein and Ajzen, 1975), the attitude of an individual towards a specific activity is one of the most important predictors of the intention of an individual to participate in that behaviour and its actual behaviour. The attitude towards behaviour is described as the degree to which the individual has a positive assessment of the behaviour in question.

Apart from attitude, two other significant factors that influence behavioural intention were defined by Fishbein and Ajzen (1975). Subjective norms can be seen as the perceived social pressure on the person to participate in a particular action and perceived behavioural regulation, which refers to the perception of the individual's ease of engaging in a behaviour. When customers develop a positive attitude toward OIM, they may be interested in launching a strong intention to fulfil their beliefs. Furthermore, the behavioural intention and perceived behavioural regulation of a person directly affect his or her actual actions. Bai, Tang, Yang and Gong (2014: 174) pointed out that subjective expectations or perceived pressure from significant others have a major impact on the intention of a person to make decisions more freely. Attitude, as mentioned above, is a good behavioural intention predictor and may be involved in initiating a clear intention of fulfilling their values as consumers develop a favourable attitude towards OIM (Ajzen 1991: 183; Mou and Lin 2015: 477). Consumers rely on e-WOM provided by others, which may be credible to adopt and may have a significant impact on certain behaviours, intent, subjective norms, attitudes, intentions, and beliefs.

The Theory of Planned Behavior assumes that individuals act rationally, according to their attitudes, subjective norms, and perceived behavioral control. These factors are not necessarily actively or consciously considered during decision-making but form the backdrop for the decision-making process. In other words, people may not articulate a particular attitude, but it may nonetheless influence their decision-making. Future research must uncover these hidden values and ideas that influence decision-making.

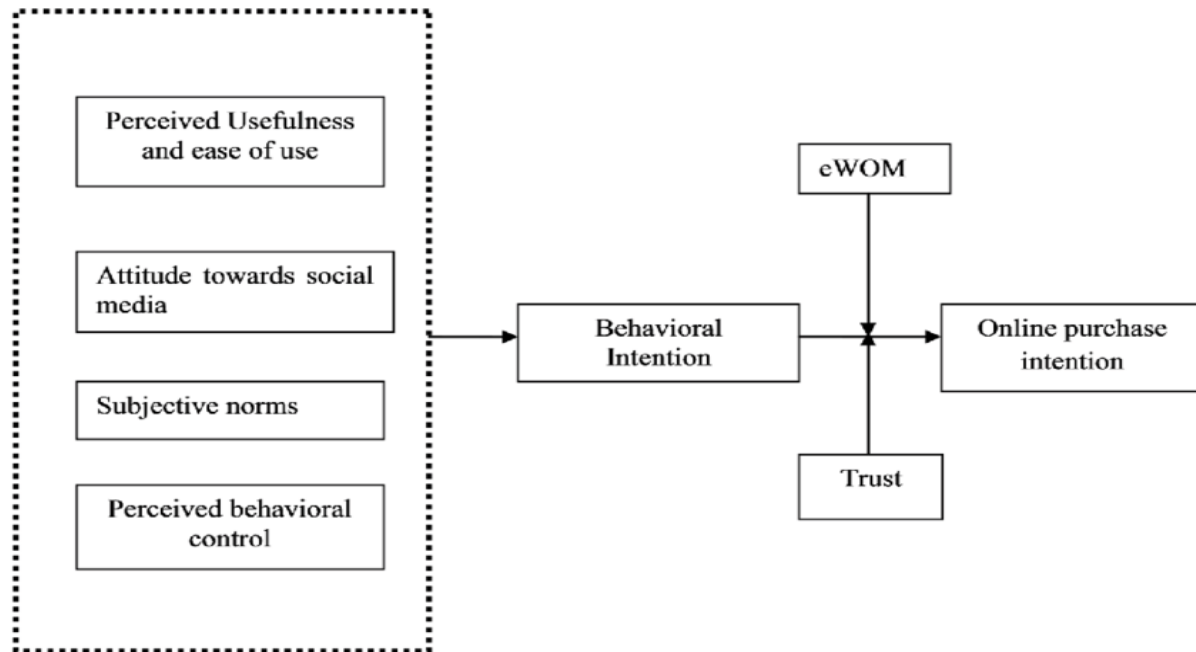
Further, there is some controversy about the assumption of rationality because sometimes humans act emotionally, not rationally.

It assumes the person has acquired the opportunities and resources to be successful in performing the desired behavior, regardless of the intention. The theory does not account for other variables that factor into behavioural intention and motivation, such as fear, threat, mood, or past experience. While it does consider normative influences, it still does not take into account environmental or economic factors that may influence a person's intention to perform a behavior. It assumes that behaviour is the result of a linear decision-making process and does not consider that it can change over time. While the added construct of perceived behavioural control was important to the theory, it doesn't say anything about actual control over behavior. The time frame between "intent" and "behavioural action" is not addressed by the theory ( Boston 2022: 2).

The TPB model is important for this study as it allows the researcher to determine what influences online consumers during their decision-making and the theory is also the basis of the theoretical model of online purchase intention that will be discussed in the following section.

### **3.3.4 Theoretical Model of Online Purchase Intention**

The theory was built on a theoretical model based on TPB to overcome gaps (Ajzen 1991: 183; Fishbein and Ajzen 1975) left by ancient models that were developed before the emergence of the internet. The theory was developed by Virgilio and Antonelli (2017: 50) in order to identify the underlying factors and conditions that drive consumers to search for e-WOM when they want to buy online. It introduces trust and electronic word-of-mouth contact as part of the process of the online purchasing. A graphical representation of the theory is shown below.



**Figure 3.3: The Theoretical Model of Online Purchase Intention (Source: Virgilio and Antonelli 2017)**

The theoretical model of online purchase intention is important for this study since it allows us to determine the extent to which e-WOM communication and trust directly influence online consumers. Trust, a belief in the exchange party's reliability, truth, and capacity, is recognised as one of the primary variables that prevent electronic transactions from consumers (Virgilio and Antonelli 2017: 57). According to the theory, given the background of OIM in the previous chapter, consumers gain awareness of a particular product from OIM and thus show their intent to participate in a purchase. Thus, trust will increase the user's purchasing intentions from an online store in the context of OIM and embedded content generated by peers. However, as argued earlier, trust is dependent on the nature of the e-WOM communication, whether negative or positive before a consumer makes a decision to purchase. However, trust is not the focus of this study, hence, it will not be explored further.

### **3.3.5 Theory of Reasoned Action (TRA)**

The Theory of Reasoned Action (TRA) suggests that an individual's attitude and opinion about an action, as well as the subjective norm, help determine behavioural purpose (Ajzen and Fishbein 1980: 62). TRA was born before the internet and social media, at a

time when subjective norms were more likely to come from friends and family. Subjective norm is the perceived social pressure to engage or not to engage in a behaviour. Drawing an analogy to the expectancy-value model of attitude, the subjective norm is believed to be defined by the complete collection of open normative beliefs relating to the desires of important referents. In particular, the strength of each normative belief ( $n$ ) is weighted by the motivation of the individual to comply ( $m$ ) with the referent concerned, and the products are aggregated.

Behavioural intention, on the other hand, predicts real behaviour (Ajzen and Fishbein, 1980). When people's attitudes and subjective norms favour an action in a positive way, they are more likely to intend to do so. TRA has been included in a number of studies looking at consumer intentions to buy socially conscious goods (Bhaduri and Ha-Brookshire, 2011; Cowan and Kinley 2014; Hwang *et al.* 2015: 132; Kang and Hustvedt 2014: 28). TRA has also been widely used in communications and advertising literature to illustrate the connection between e-WOM and buying behaviour (Erkan and Evans 2016: 37; Kim, Kandampully and Bilgihan 2018: 3). It is therefore also crucial to adopt this model in this study to determine if subjective norms and behavioural intentions play a role when consumers purchase online.

The internet and social media are well-known in networking and advertising literature as effective dissemination platforms for powerful e-WOM (Chu and Kim 2018: 4; Kim *et al.* 2018: 59). Consumers can now share product information through social networking, which is considered more credible than information provided directly by companies (Chu and Kim 2018: 4). Since online interactive media allows for easy communication with people who are not in one's immediate circle of friends and family, it is fair to look at arbitrary standards as pressure from different groups, including e-WOM outlets. As a result, the current research will adopt this model as it looks into the impact of subjective standards on attitudes toward purchasing conduct.

Nonetheless, the model has some limitations including a significant risk of confounding between attitudes and norms since attitudes can often be reframed as norms and vice versa. A second limitation is the assumption that when someone forms an intention to

act, they will be free to act without limitation. In practice, constraints such as limited ability, time, environmental or organisational limits, and unconscious habits will limit the freedom to act. The theory of planned behavior (TPB) attempts to resolve this limitation. The following section will discuss the information acceptance model.

### **3.3.6 Information acceptance model (IAM)**

The information acceptance model (IAM) was developed by Evan and Erkan (2016: 49). According to this theory, an individual's action is dictated by their behavioural intention to execute it. The individual's attitudes and subjective standards toward the action determine this purpose. As a result, based on their attitude toward performing their actions, subjective norms, and motives, this model is used to identify an individual's behaviour. According to Evan and Erkan (2016: 49), the impact of e-WOM information on social media is dependent not only on the characteristics of e-WOM information, such as quality and reputation, but also on the consumers' actions and attitudes toward e-WOM information.

However, researchers argue that the major characteristics of e-WOM are insufficient for evaluating the effect of e-WOM on consumer purchase intent and that it is important to classify consumer behaviour towards the e-WOM information. Both the characteristics of e-WOM and the attitude of consumers toward e-WOM information should be included in the model for evaluating the effect of e-WOM on consumer buying behaviour. Previous researchers (Cheung and Thadani 2012; Prendergast, Ko and Yuen 2010; Sievert, Reichelt and Jacob 2014) have used this theory to investigate the relationship between e-WOM and consumers' buying intent. The researcher will also apply this theory in the context of the study to explain the relationship between e-WOM and online consumer behaviour.

Only two TRA elements, behavioural intention and attitude, have been used in the information acceptance model (IACM). As a result, IACM reflects e-WOM information characteristics, and the components of TRA will classify consumer attitudes toward e-WOM information. Erkan and Evan (2016: 48) go on to say that IACM has knowledge needs. Consumers' information needs are regarded as a critical variable in determining

how they react to e-WOM information. The source of these information needs includes digital OIM platforms such as e-WOM. Among the different e-WOM variables, the IACM can be identified as a rarely applied model by researchers. Within the same paradigm, this model provides a holistic approach by considering user behaviour as well as knowledge characteristics. Although IAM is a commonly used model in eWOM, it only focuses on the characteristics of information. The influence of information, however, should not be limited to the characteristics of information, consumer behaviour towards information should be evaluated together with them. More variables could be added to this model in the future, or the existing one could be used in different contexts.

The section has highlighted different theoretical approaches to online consumer behaviour and how they relate to this study. The section that follows will present factors that influence online consumer behaviour.

### **3.4 FACTORS INFLUENCING THE CONSUMER DECISION-MAKING PROCESS**

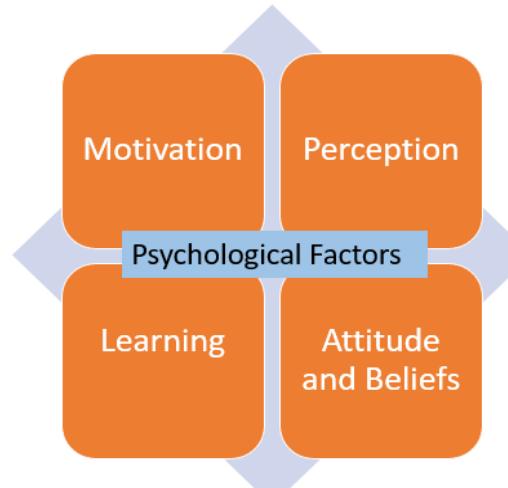
Many companies study the buying decisions of consumers so that they know what they will buy, how they will buy, what quantity of products they will buy, when they will buy and why they will buy (Solomon 2015:15). The company can use the results of the analysis of consumer behaviour as a basic consideration in developing a marketing strategy. According to Radu (2019: 3), consumer buying decisions are a result of the influence and complex correlation between cultural, social, personality and psychological factors. All these factors are required for identifying consumers with a high preference for a product.

According to Lamb, Hair and McDaniel (2009: 174), two categories of factors influence need recognition, which is the first step in the decision-making process. The two factors are psychological factors and environmental influences.

#### **3.4.1 Psychological Factors**

Consumer behaviour is heavily influenced by human psychology. These factors are difficult to measure but have the potential to influence a purchasing decision. Some of the most psychological factors are shown in Figure 3.4.





**Figure 3.4: Psychological Factors**

#### **3.4.1.1 Motivation**

When a person is sufficiently motivated, it influences the person's purchasing behaviour. People have many needs, including social, basic, and security needs, as well as esteem and self-actualisation needs. Among all of these needs, basic needs and security needs take precedence over all others. As a result, basic needs and security needs have the ability to motivate a consumer to purchase goods and services (Radu 2019: 3). Within the context of the current study, this motivation is also influenced by the e-WOM information that plays an integral role in influencing the intention to purchase a good or service. Hence, it is an important factor that should be taken into consideration.

#### **3.4.1.2 Perception**

Solomon (2015: 15) explains that consumer perception is a major influencer of consumer behaviour. Consumer perception is the process by which a consumer gathers information about a product and interprets that information to form a meaningful image of that product. When a consumer sees advertisements, promotional campaigns, reviews online, social media feedback, and so on about a product, they form an opinion about it. As a result, consumer perception has a significant impact on consumer purchasing decisions.

#### **3.4.1.3 Learning**

Radu (2019: 3) states that when a consumer purchases a product, he or she gains knowledge about the product. Learning occurs over time as a result of experience and

can be conditional or cognitive in nature. Conditional learning involves repeatedly exposing a consumer to a situation, causing consumers to develop a response to it. In cognitive learning, the consumers use their knowledge and skills to find satisfaction and a solution from the product they purchase. E-WOM platforms are also sources of learning for the consumers. The learning of a consumer is dependent on his or her skills and knowledge, as well as other characteristics that include amongst others age. Whilst the skill can be acquired through practice, knowledge can only be obtained through individual and others' experiences. This could also emanate from the e-WOM information.

#### **3.4.1.4 Attitudes and beliefs**

Consumers have certain attitudes and beliefs that influence their purchasing decisions. The consumer acts in a particular way toward a product based on this attitude. This attitude is very important in defining a product's brand image. As a result, marketers work hard to understand consumer attitudes in order to design marketing campaigns. It is also a noteworthy cause to acknowledge that an attitude that a consumer creates can also determine the reviews they send on e-WOM platforms, which in turn can influence another consumer's attitude towards goods or services, thus influencing the ultimate online purchase behaviour. It is thus important to understand these factors and the impact they are likely to cause on a chain of consumers, as well as on business.

#### **3.4.2 Environmental influences**

According to Kardes, Cronley and Cline (2009: 329), consumers are moulded by the environments in which they live and operate. In addition to the environment shaping consumers, consumers influence the environment through their behaviour. The authors add to the factors that affect need recognition by noting that organisations' marketing efforts may also spur it. Culture, social status, family, situation and personal influences are the key environmental factors influencing the consumer decision-making process (Radu 2019: 3). While some factors will be discussed briefly, the personal factors, which are the focus of this study, will be discussed toward the end of this chapter.

### **3.4.3 Cultural factors**

A group of people associated with a set of values and ideologies that are specific to a community. When a person comes from a particular community, the culture associated with that community has a strong influence on his or her behaviour. Cultural factors have a significant impact on consumer purchasing behaviour. Cultural factors include the common values, needs, wants, preferences, perceptions, and behaviours observed and learned by a consumer from family members and other important people around them (Rangaiah 2021: 3). These factors are an integral part of consumers' online purchase decisions. This group of people segmented according to common causes are, therefore, sources of OIM information as well as experiences that could also have a bearing on the next person's online purchase decision.

#### **i. Sub-culture**

There are numerous subcultures within a cultural group. These subcultural groups hold similar beliefs and values. People from various religions, castes, geographies, and nationalities can form subcultures. These subcultures constitute consumer segments in and of themselves and can share OIM knowledge, information or experiences to an extent that it has a role to play in the next person's intent to purchase a product or a service (Rangaiah 2021: 3).

#### **ii. Social class**

Rangaiah (2021: 3) highlighted that every society on the planet has some form of social class. The social class is determined not only by income, but also by occupation, family background, education, and residence location. Consumer behaviour is influenced by social class. This current study also analyses the influence of e-WOM on consumer online buying behaviour through segmenting the respondents by social classes. An understanding of the relationship from such a perspective is imperative, especially for businesses.

#### **iii. Family**

The family, according to Schiffman and Kanuk (1997: 346), is defined as two or more people who are related by blood or adoption and live together. According to Engel *et al.*

(1995: 742), the significance of studying the influence of the family on the consumer decision-making process can be attributed to a number of reasons. To begin with, many products are purchased by a family unit, for example, a family deciding on a new car or house. Second, other family members may influence the buying decisions of individuals within the family; for example, a person purchasing food from a supermarket may be influenced to purchase what other family members prefer. Martinez and Polo (2019: 461) add to this by stating that the family is regarded as an important decision-making unit due to the large number of products and services that are part of a family's daily life. In order to implement marketing strategies, marketers must first understand family decision-making.

### **3.4.3 Situational factors**

Situational influences are drivers of consumer behaviours that are specific to a time and place and are independent of the consumer and object characteristics. They are a type of environmental influence that affects decision-making (Radu 2019: 3). Communication, purchase, and usage situations are three broad categories of situational influences. This is the reason why research continues to be conducted in this space, as different contextual or situational issues may influence how certain consumers make their purchase decisions. This could also be another contributing factor to the increasingly on-going debate in this space.

### **3.4.4 Personal influences**

Personal influences form the last element of the environmental effect. Personal influences from others are one of the strongest ways of persuasion on consumer decision-making and buying behaviour, directly or indirectly, and these can also be reflected within the e-WOM reviews that consumers post on different OIM platforms. The explanation for the strong impact is focused on the feedback of individuals with whom one can associate and connect, contributing to a high degree of legitimacy ascribed to individuals from whom consumers receive input. Kardes *et al.* (2019: 329) clarify the two main forms of personal influences, namely reference groups and electronic word-of-mouth communication.

#### **3.4.4.1 Reference groups**

A reference group is a group of people with whom a person is acquainted. In general, all of the people in the reference group share similar purchasing habits and influence one another. And in today's world, family is not only by blood. People take those connections they have on online interactive media as family. By providing the consumer with recommendations for socially appropriate product purchases, reference groups and families can minimise the risks associated with purchasing decisions. Individuals use reference groups as a frame of reference in their buying and consumption decisions, and as such, they must be regarded as important input to the consumer decision-making process (Rangaiah 2021: 3). SNSs like Instagram are some of the platforms that serve as reference platforms for other online buyers. More focus will be on the second factor of personal influences namely electronic word-of-mouth (e-WOM) as it is one of the study's concepts.

#### **3.4.4.2 Electronic word-of-mouth (e-WOM) as an influencing factor**

While psychological, and social factors continue to influence consumer behaviour, the emergence of e-WOM has altered this. Businesses must take every opportunity to be in front of their target audiences, as they have access to almost unlimited information at any given time. One of the personal influences on consumer decision-making is e-WOM. When considering how often consumers turn to the opinions of others, especially family and friends, regarding products and services, the importance of discussing e-WOM is significant. Brown and Oplatka (2016: 45) claim that friends and relatives are more likely than any other source to affect consumer preference, as consumers consider family and friends to be more trustworthy and credible than commercial outlets. This study will focus on e-WOM as an influencing factor.

According to Bamakan and Nurgaliev 2019: 202; Grissa 2016: 9), there are circumstances and conditions which when present, consumers will embrace and respond to e-WOM communication. When the consumer is unable to make a sufficiently informed decision because there is inadequate knowledge at his/her disposal he/she will resort to e-WOM. Further, if consumers lack the capacity to evaluate a product or service, irrespective of how the knowledge is disseminated and presented they will end up

searching e-WOM. Consumers also seek e-WOM when the product in question is sophisticated, and difficult to evaluate. Finally, consumers resort to e-WOM, when an opinion leader is more readily available than other data outlets, thereby saving effort and time.

In either a trickle-down, two-step flow or multistage process, e-WOM can be defined as a communication flow between opinion leaders and supporters. According to Verdiana and Gaia (2019: 3), the trickle-down process is considered the oldest principle of personal control and suggests that lower classes emulate the behaviour of higher classes. Therefore, influence is vertically conveyed across social classes, such as fashion and style. In economically developing countries like South Africa, this knowledge flow mechanism is seldom seen, as the power of the mass media and the copying of fashion through mass merchandise puts these kinds of products within the reach of the masses in a relatively short period. Trickle-down influences are much more likely to take place in modern society amongst peers, referred to as homophilous influences (referring to information transmission between those who are similar in age, education, social class and other demographic characteristics).

The consumer decision-making process in the 21<sup>st</sup> century is similar to the traditional decision-making process in that consumers are typically the same and have the same amount of money available for buying. In contrast to the traditional model, the decision-making process becomes more compressed in today's world due to the readily available information in the form of e-WOM. As different stages blend together, the stages of the traditional decision-making model are compressed into fewer phases. E-WOM thus shortens the consumer's decision-making process by almost integrating various stages of the process. Instead of having to visit a store after alternative evaluation to buy the favourite items, with the click of a few buttons, the consumer can proceed to purchase the product.

Regardless of the type of virtual community, e-WOM has a significant impact on buying behaviour. Tseng, Kuo, and Chen (2019: 107) explained their findings in their study, which also stated that "e-WOM was found to play a very important role on buying

behaviour". Moreover, this study discovered that positive e-WOM is positively related to purchase intentions and has a greater impact on purchase intentions than advertisements (Yi, Dahnil and Balakrishnan 2014: 183).

Voramontri and Klieb (2018: 92) discuss the impact of e-WOM on consumer behaviour and state that users of e-WOM found decision-making to be easier and more enjoyable when compared to those who used other information sources, such as television, radio and newspapers. By listening in and participating in online conversations, marketers can now access and monitor consumer opinions on an ongoing, real-time basis. In his study on the impact of e-WOM on consumer purchasing behaviour, Fitzgerald (2019: 53) discovered that consumers are 71% more likely to make a purchase based on reviews, and 75% of youth purchases are influenced by e-WOM. They are also 1.6 times more likely to learn about new products through e-WOM.

According to the study, tourists use e-WOM for travel planning at all stages of the decision-making process. Tourists, on the other hand, primarily use e-WOM during the need awareness and information search stages. Surprisingly, the multiple regression analysis revealed that using e-WOM during the evaluation and purchase stages positively influenced tourists' decision to visit Ghana (Osei and Abenyin 2016: 265). E-WOM is a consumer-dominated OIM channel that has a significant influence on consumers' information search, alternative evaluation, and final decision to purchase a product.

Having reviewed literature from different authors it can be concluded that at this level, companies must create brand awareness as consumers think of known businesses as the first point of purchase during the need recognition stage. It is also during this stage that e-WOM creates awareness of issues as they attract attention to unrecognised needs or desires. By offering nuanced sources of knowledge on virtually any product, the internet has changed consumer behaviour, prompting buyers to move away from goods they may have traditionally preferred.

Through identifying and comprehending the factors that influence their consumers, marketers have the chance to create a more efficient strategy, a marketing message (unique value proposition), and marketing campaigns that are more in line with their target

consumers' needs and ways of thinking, a huge benefit for better meeting the needs of its consumers and increasing sales. Consumers develop product and brand preferences as a result of these factors. Even though many of these factors are beyond the marketers' direct control, understanding their impact is critical so that marketing mix strategies can be implemented to appeal to the personal tastes of the target market.

There are various factors in e-WOM that influence consumer decision-making. These factors include argument quality, valence, e-WOM usefulness, trust in the message, e-WOM credibility, emotional trust, attitude towards the website, volume, existing e-WOM, and source credibility, to name a few. It is not possible to address all factors; thus, the study will only look at a few e-WOM factors, which are discussed in the subsequent section.

### **3.5 THE FACTORS OF E-WOM THAT INFLUENCES THE CONSUMERS' BUYING DECISION-MAKING PROCESS**

A weighted and meta-analytical study was performed by Ismaglovia (2019: 9) on existing empirical findings in e-WOM predictors influencing consumers' intention to buy. To achieve this aim, 69 studies focusing on intention to buy were collected and analysed. Based on this analysis and findings in the research on e-WOM, the researcher deduced the form of variables to be chosen to evaluate the intention of consumers to purchase. The findings of both weight analysis and meta-analysis were considered as a guideline for constructs that were used in the present study and will be evaluated to research their output for factors influencing purchasing intention.

The study by Ismaglovia (2019: 9) came up with various components of e-WOM but due to limitation of time and resources only, three dimensions of e-WOM activities will be considered: e-WOM valence (the sentiment carried in e-WOM), trust (emotional and cognitive trust) and e-WOM volume (the amount of e-WOM disseminated). Despite the issue of time and financial constraints, selecting a few aspects to study reduces errors and the questionnaire will be short thereby avoiding respondent fatigue. E-WOM valence will be discussed in the next section.



### **3.5.1 Valence**

Valence refers to the essence of e-WOM messages: optimistic, negative, or neutral. Positive e-WOM generally represents the users' fun, exciting, or novel product experiences as recommendations to others. Negative e-WOM by comparison, typically includes product denigration, adverse product interactions, rumours and grievances (Yoon 2013: 556). Kliemann, Dorit; Jacoby, Nir; Anzellotti, Stefano; Saxe and Rebecca (2016:364), on the other hand, defined valence (also known as hedonic tone), as the affective quality of an event, entity, or circumstance that refers to the intrinsic attractiveness/goodness (positive valence) or aversion/badness (negative valence). Specific emotions are often defined and classified by the word; for instance, emotions that are generally referred to as negative, such as rage and fear, have negative valence. Positive reviews are considered likely to contain pleasant, descriptive and romantic product or service descriptions, whereas negative e-WOM communications usually involve grievances and unpleasant descriptions (Sparks and Browning 2011: 1320).

Yoon's (2013: 556) definition is the most relevant to the aims of this study, given the emphasis it places on the marketing concept, while the other definition is generalised. From the researchers' point of view, advertising in its simplest form can be seen as either a positive or a negative score card.

With the growth of the internet application, e-WOM has become an independent product information platform of increasing prominence and significance. E-WOM contact orientation (positive or negative, also referred to as valence) is one of the marketers' most oriented dimensions, since e-WOMs with different valences may have entirely opposite effects on communication. In addition, if positive and negative e-WOMs have asymmetric effects, management strategies for e-WOMs of different valences will vary greatly (Anastasiei and Dospinescu 2019: 2).

One difficulty with e-WOM is that it occurs on an unprecedented scale while lacking any standard format (Lee and Youn 2019: 37). As a result, the content of e-WOM is extremely diverse, ranging from simple recommendations with extreme positive or negative statements to nuanced product evaluations supported by extensive argumentation. Only

recently has research begun to investigate what makes e-WOM messages a useful source of information. The valence of their recommendations, often expressed by a five-point star rating located above the textual content of the e-WOM message, has been consistently found to predict the tendency of consumers to adopt e-WOM messages.

According to research, negative recommendations are more useful and persuasive in guiding consumer purchase decisions than equally strong positive recommendations (Chevalier and Mayzlin 2006; Sen and Lerman 2007). This negativity bias can be explained by category diagnosticity theory (Skowronski and Carlston 1989), which states that negative product attributes are more likely to be associated with low-quality products than positive product attributes are with high-quality products. In addition to valence, persuasion, theories predict that when messages are supported by balanced argumentation, consumers are more likely to value them (Gardikiotis and Crano 2015: 3).

Although these theories have been proven to be correct in the offline context, it is unclear whether they can also explain consumers' evaluation of messages in the context of e-WOM. Because there is so much e-WOM, consumers may be forced to focus solely on the star rating rather than the textual content of the e-WOM. This is undesirable from a normative standpoint (Winter and Krämer 2012: 4), as the textual content of e-WOM may provide an explanation and context to ratings, which consumers should keep in mind in order to make informed purchase decisions (Mudambi and Schuff 2010: 187).

Previous studies examined the relation between e-WOM valence and purchasing behaviour (Chetioui, Butt and Lebdaoui, 2021: 231; Bigne, Caplliure and Miquel 2016: 1046; Hamby, Daniloski and Brinberg 2015: 1342; Mauri and Minazzi 2013: 155; Hu, Che and Wang 2012: 312; Ladhari and Michaud 2015: 36). For example, Mauri and Minazzi (2013: 55) conducted studies with 570 Italian students and confirmed that positive online hotel reviews increase the intention to book. Some studies relating to the influence of valence on the intention to buy (Ladhari and Michaud 2015: 36; Mauri and Minazzi 2013: 55) found its influence to be significant in terms of the impact of valence on the intent to buy. In a study conducted by Ismagilova *et al.* (2019: 13), the results showed that the valence of e-WOM influences consumers' buying decisions.

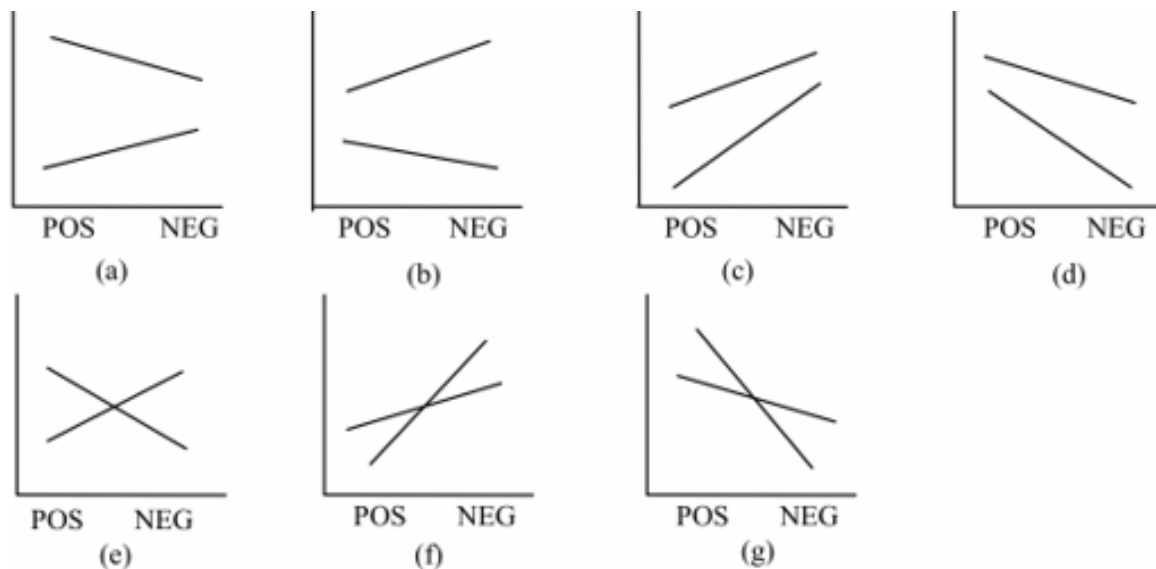
Further related research on e-WOM contact reveals an incoherent relationship between e-WOM valence and purchasing behaviour for online consumers. Some studies ( Yang, Sarathy and Walsh 2016: 256; Roy, Datta and Basu 2017: 205) suggest positive relationships between them (i.e., the impact of positive e-WOMs is greater than negative e-WOMs), whereas other studies (Bojei and Khalid 2018: 67) find negative relationships between them (i.e., the influence of negative e-WOMs is greater than positive e-WOM). It is because of such contradictions that research of this nature continues to be conducted to provide further insights, and within another context from the initial studies, as well as focusing on different target populations.

Nonetheless, Sandes and Urdan (2013: 181) and Teng, Khong, Chong and Lin (2017: 238) found the relationship between valence and purchasing behaviour to be non-significant. Other studies (Anaza and Rutherford 2014: 435; Cheung and Lee 2008: 3; Duan, Gu and Whinston 2008: 241) also contend that there is no substantial relationship between these two variables. This could also be a contextual case as most studies reviewed herein provide evidence of a significant relationship. Furthermore, the differences in results could be caused by different analytical approaches in the studies conducted, the difference in data sources, modelling process, and factor measurements; some factors can moderate the effect of e-WOM valence. Among these variables, an important moderator for the e-WOM effect could be the product category.

#### **3.5.1.1 Influence of Valence on product type**

Hao, Ye, Li and Cheng (2010: 1) highlighted that product characteristics can influence how consumers perceive the e-WOM message. Hankin (2007: 2) offers a good analysis of current literature, which has drawn contradictory conclusions about the impact of e-WOM valence on consumer decision-making (or product sales) when various goods were taken as the focus of the research. One factor that was mentioned in this study as a possible cause of different reviews or behaviour is the argument being discussed here. In this case, the nature of the commodity becomes an interesting factor that could influence the relationship between valence and online purchase behaviour.

There is a lack of research examining how the effect of the e-WOM valence differs depending on the type of product. A few studies have focused on the effect of interaction between product form and negative e-WOM orientation versus mixed e-WOM orientations. For example, negative reviews found by Sen and Lerman (2007: 94) for utilitarian goods are more useful than those found for hedonic ones. Park and Han (2008: 8) found that the form of product (search goods vs. experiences products) balances the relationship between mixed e-WOM orientations and consumer attitude toward the product. One exception is that Park and Lee (2009: 66) analysed the impact of the interaction between the product form (search goods versus experienced goods) and the valence of e-WOM (positive versus negative). However, they did not address the detailed interaction effect shape between product type and e-WOM valence. There may be seven ways of interaction as shown in Figure 3.5.



**Figure 3.5: Interaction effect shape between product type and e-WOM valence: Source: Hao, Ye, Li and Cheng (2010)**

Note: Horizontal axis denotes e-WOM Valence (positive or negative); Vertical axis denotes e-WOM effect.

The slopes of the two lines are different for each form of interaction effect in Figure 3.5 which indicates the presence of interaction between e-WOM valence and type of product. In addition, line direction represents the direction of impact of the e-WOM valence. While

the difference in impact strength of e-WOM valence (impact differences of positive and negative e-WOMs) for different product types is indicated by different slopes of the lines in the same direction. More precisely, the lines between positive and negative e-WOMs for different product types have different paths for (a) (b) and (e) in Figure 3.5, indicating effects of e-WOM valence are opposite for different product types. For (c) (d) (f) and (g) in Figure 3.5, the lines have the same direction, but different slopes are distinct, showing the impact strengths of e-WOM valences between different types of products.

Declaring in what form the product type reduces the impact of e-WOM valence on consumer purchase decision-making (significant or non-significant, positive or negative, weak or strong) can be useful in the formulation of marketing strategy from a vertical (product-focused) and horizontal (mouth-focused) viewpoint. From the vertical point of view, this can indicate whether there is a need to pay attention to e-WOM valence for the two separate types of items. If applicable, the path should be based mainly on e-WOMs, and how much effort and time should be spent in it.

From the horizontal point of view, as marketers perform mixed marketing of various types of goods, this can aid in suggesting for which type of goods the impact of e-WOM is greater, and which type of goods should first be based on positive and negative WOM management. Under resource constraints, marketers can more efficiently and effectively change the e-WOM marketing strategies according to the various directions and strengths of WOM valence for different goods. Considering the effects of e-WOM valence on consumer decision is therefore basically important.

The existing literature explains in detail the impact of the valence of online consumer reviews on different product types but does not explain how valence influences consumers during online shopping. According to the theory of attribution, (Weiner, 1986), a person can primarily attribute the attitude or actions of his or her own or another person to personal causes (internal causes) and causes related to stimuli or environmental circumstances (external causes). As argued by Shin and McKinney (2017: 2), recipients of information can make various attributions and thus result in a variety of e-WOM effects. Taking online user reviews, one form of e-WOMs as our target, this study tries to explain

the influence of valence on online consumers and fill the gap in the literature. The results have implications for marketers on how to handle the e-WOM for various types of consumers more efficiently and economically.

It has been concluded that negative e-WOM has a greater impact than positive on consumer buying decisions. For example, in the field of psychology, negative ratings are typically given more weight in the decision-making process than positive ratings (Smith and Anderson 2016: 2). Maybe it is because the negative rating that triggers a psychological reaction, such as arousal, perception, emotion, attribution, is stronger than a positive one. And in the marketing sector, Hao *et al.* (2010: 11) also found that people rely more on negative rating information than positive information because it is more insightful to negate rating information.

Consumers can discount positive e-WOMs and value negative e-WOMs when shopping online, in order to avoid or reduce risk. Negative e-WOMs are particularly important with the potential loss or danger. Distrusting the negative e-WOMs of other users might expose the consumer to potential loss of buying goods of bad quality. Consequently, consumers may place greater emphasis on negative reviews than positive ones. Therefore, based on the preference of risk aversion and avoidance as per prospect theory, when exposed under perceived risk/loss, consumers could shape bias in attribution and adjust the original attribution to less risk direction to avoid loss. In order to prevent or minimise risk when faced with negative reviews, consumers may tend to assign negative reviews to products and trust them even though such reviews can only reflect the individual bias of others.

Strong positive e-WOM comes when consumers have the company's desired positive reviews and endorsements. The opposite is negative e-WOM, which happens when consumers voice negative feedback and opinions about the brand. Chevalier and Mayzlin (2006: 3470) found that valence is important to online sales at Amazon.com, as calculated by the average number of stars in the book reviews. Basuroy, Chatterjee, and Ravid (2003: 31) prove that negative e-WOM affects success at the box office. Overall, however, the literature indicates that management has some degree of influence over the pace and

path of e-WOM post-purchase. Duan, Gu, and Whinston (2008: 240), for example, show that e-WOM valence affects e-WOM frequency, which in turn results in higher box office ticket sales. Satisfaction brings positive viral; disappointment generates negative viral, which in turn can decrease repurchase intentions (Song, Sheinin, and Yoon 2017: 1406).

From the discussion, it has been found that the findings of valence influence on consumer buying behaviour are varied. One explanation for inconsistent findings may be the various contexts or nature of the product, amongst other examples. used in the above studies. Negative online consumer reviews have a huge effect on consumer emotional satisfaction and the online purchaser's intention to buy. Consumer views should be actively and seriously managed by marketers, no matter whether they are positive or negative. In particular, if potential buyers are subjected to all negative user feedback on an online site, their emotional trust in the online seller and their intention to buy will be substantially lower. It is the duty of the marketer to come up with effective strategies in order to manage reviews, especially the negative ones, as they affect the buying decisions of consumers. This study will investigate the influence of valence in the context of online shopping, and this dimension is scarce as it has not been explored in previous studies.

### **3.5.2 Trust**

There are various definitions of trust that have been put forth. According to Ho and Chien (2010: 2), trust in a message refers to the perception that information can be trusted in the message. Virgilio and Antonelli (2017: 60) on the other hand defined trust as confidence in the exchange party's reliability, truth, and ability. Both definitions can be used in this study as they clearly explain what trust entails. The researcher would however like to define trust in the context of e-WOM as:

*The ability to believe and rely on information posted by other consumers for decision-making purposes.*

Trust is used as the sense of trusting beliefs for the purpose of the present study, referring to the assumption that one can rely on a promise made by another and that the other will act toward oneself with goodwill and in a benevolent manner in unforeseen circumstances.

A major psychological obstacle to the adoption of online shopping is trust. With empirical evidence, prior studies (Kim and Pak 2013: 318; Hajli, Sims, Zadeh and Richard 2017: 134) have shown the value of trust in online shopping. Komiak and Benbasat (2006: 941) continued to expand on the basis of belief-attitude-intention and introduced a trust model for the adoption of online shopping.

Previous studies (Hsu, Lin and Chiang 2013: 5; Huang, Shao and Wang 2013: 1; Ladhari and Michaud 2015: 36; Saleem and Ellahi 2017: 597; Xiaoping and Jiaqi 2012: 2) have shown a correlation between message trust and purchasing behaviour. For instance, an empirical study conducted by Ho and Chien (2010: 1) with participants from Taiwan found that trust in messages affects intention to purchase positively. Based on SNSs in China, trust plays a strong positive association with the intention to follow eWOM. Trust reveals the reliability of the information supplier: if the origin of the information is durable and real in diverse platforms, then the level of information provider develops as trustworthy in the mind of the reader. High trust in the SNS increases consumers' opportunity to engage themselves in eWOM and attempt to share and seek suggestions about the brand. Findings show that trust is additionally important when attempting to use fashion products. Consumers with a strong concern for fashion follow information from other consumers who have trust (Bilal et.al 2021: 10).

Although trust has been found to influence buying behaviour, the findings cannot be generalised to all consumers thus it is important to determine if trust also influences the buying process in the context of online South African consumers. To understand trust better, this study will focus on two forms of trust, namely cognitive and emotional trust.

#### **3.5.2.1 Cognitive trust**

According to Virgilio and Antonella (2017: 65), cognitive trust is the consumer's confidence in the capacity and consistency of an exchange partner and their ability to rely on it. Cognitive trust fundamentally comprises online shopping values. Cheung and Lee (2008: 2) reviewed prior trust studies and described the three most frequently cited characteristics that create a trustee's trustworthiness. Ability (competence), benevolence, and integrity are the three attributes. Competence refers to the trustees' knowledge,



strength, and features. The degree to which a trustee is believed to do good to the trustor is benevolence. Integrity relates to the continuity of previous acts of the trustee and reliable communications (Furner, Drake, Zinko and Kisling (2022: 78). In the online shopping sense, these three attributes are also frequently used. These characteristics are supposed to affect emotional trust positively, according to the belief-attitude-intention system (Wang and Benbasat 2007: 219). Trusting beliefs affect the development of a trusting attitude (emotional trust).

### **3.5.2.2 Emotional trust**

Emotional trust refers to the mindset and emotional feeling of trustors about relying on trustees, such as feeling safe and conformable (Zhang et al. 2014: 90). Emotional trust represents the attitude of trust. The emotional trust of individuals can be built based on the cognitive attitudes of consumers towards online retailers. Based on the theory of planned behaviour by Ajzen and Fishbein (1975), several studies (Cheung 2014: 42; Zhang *et al.* 2014a: 96) have suggested and tested a positive impact of emotional trust on purchasing behaviour. Using experiments with participants from Hong Kong, for example, Zhang *et al.* (2014a: 96) found that emotional trust has a major positive impact on buying behaviour. Since emotional trust is affected by components of cognitive trust, it therefore, means that if emotional trust influences buying behaviour, cognitive trust also has the same influence.

A weight analysis was performed by Ismaglovia (2019: 9) of existing empirical findings in e-WOM research. Weight and meta-analysis results thus, allow researchers to envision the point of convergence and divergence which will help more research questions to be raised in the general context. Weight analysis allows the predictive capacity of independent variables in the relationships analysed to be scrutinised and the degree of relationship efficacy (Rana *et al.* 2015: 163). Some experimental predictors, such as emotional trust (examined 3 times, significant 3 times), have a weight of “1” and are considered promising predictors of buying decisions. Even though this relationship was found to be significant each time it was examined, it is a great idea that this experimental variable needs more testing to qualify as the best predictor of buying decisions. Thus, the researcher will examine this predictor as well in this study.

### **3.5.3 Volume**

The quantity of eWOM also influences consumer purchasing choices (Ngarmwongnoi et al. 2020: 751; Ismagilova et al. 2020: 1205). Teng et al. (2017: 241) defined this construct as the volume of online reviews submitted by customers to demonstrate their opinions. Bhandari and Rodgers 2017: 126) defined volume as the number of e-WOM messages, likes and reactions on a brand's page on online interactive media. As a result, Ismagilova et al. (2020: 1205) contended that such an essential concept makes online information more visible. More specifically, because customers frequently engage with a large amount of information about a product on online platforms, the volume of e-WOM is evidence of the product's popularity. As a result of the increased reassurance provided by the quantity of eWOM, the perceived risk associated with the purchase decision can be reduced (Ngarmwongnoi et al. 2020: 751). In fact, the e-WOM volume may be the single most significant cue that consumers can rely on when assessing the e-WOM's reliability (Saleem and Ellahi 2017: 598).

Previous research has also found that the quantity of e-WOM has a positive impact on consumer purchasing behaviour (e.g. Blal and Sturman 2014: 373; Teng et al. 2017: 250; Ngarmwongnoi et al. 2020: 757). For example, the number of online reviews can impact customers' choice of hotel and thus affect organisation revenue, particularly for low-tier hotels. Furthermore, many reviews could indicate product popularity and contribute to an increase in online purchase intentions (Teng et al. 2017: 241). Meanwhile, Ngarmwongnoi et al. (2020: 751) argued that when there is a social bias associated with a small number of reviews, customers often become cautious, necessitating the need to look for more information before making their choices. Similarly, an experimental survey from 192 respondents performed by He and Bond (2015: 1525) demonstrated that eWOM quantity and its dispersion favourably influences purchase intention in various settings including flash drive, desk lamp, music album, and painting. Another research, based on 1200 Turkish online shoppers, by Bulut and Karabulut (2018: 415), discovered a significant correlation between the quantity of eWOM and online purchase intention.

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The growth of digital media such as blogs, online forums, online reviews websites and many other social media now enables a number of consumers to post-review goods and services that are available to many more potential consumers before making purchasing decisions. Thus, the e-WOM volume has become an important factor in determining e-WOM information transfer. This, in turn, influences other relevant features of e-WOM, and may ultimately lead to certain behaviour among a diversity of consumers.

The number of e-WOM messages makes information more observable when consumers search for e-WOM. The e-WOM volume shows a product or service's popularity. Previous studies (Kim, Cheong, and Kim 2017: 229; He and Bond 2015: 1525) showed that the number of e-WOM communications had a positive impact on intention to purchase. Using an experimental survey with 192 respondents, for example, He and Bond (2015: 43) found that e-WOM volume positively influences purchasing intention in the film context. Nonetheless, Flanagin, Metzger, Markov and Hartsell (2014: 21) found this relationship to be non-significant. Differences in results may be due to other factors that include the context under which the study was conducted, thus, this study is imperative to continue contributing insights into the influence of volume in the context of South African online consumers. It is also crucial to note that some marketers are aware that volume influences buying behaviour, thus, they end up manipulating the system with bots to increase the volume of e-WOM on their pages.

In a weight analysis study conducted by Ismaglovia (2019: 9), none of the relationships was found to have a weight of 0, which would make them non-significant. Some of the well-used predictors are considered to be the least effective predictors, such as volume (evaluated 11 times, significant 7 times). It is proposed that research could find compelling reasons for continuing to examine predictors of this kind. It might, however, be irrational to exclude these relationships within the framework of e-WOM research based on this alone. This study will further unpack the influence of volume using empirical evidence to find out if these aspects influence buying behaviour.

### 3.6 ANALYSIS OF PREVIOUS STUDIES ON E-WOM FACTORS INFLUENCING CONSUMER BEHAVIOUR

Prior research (Dwivedi, Rana, Jeyaraj, Clement and Williams 2017: 2; Floyd *et al.* 2014: 230) indicate that meta-analysis is a powerful instrument for synthesising past results. Meta-analysis is regarded by some scholars as a strong alternative to qualitative and descriptive analysis of literature. To visualise the research context by integrating and investigating the quantitative results of various empirical studies, meta-analysis is characterised as a method to statistically synthesise established literature (Purnawirawan *et al.* 2015: 139; Rana *et al.* 2015: 163).

The meta-analysis conducted by Ismaglovia (2019: 10) found that there are especially strong correlations between purchase intention and emotional trust ( $r = 0.651$  existing e-WOM ( $r = 0.521$ ), other correlations between purchase intention and message trust ( $r = 0.342$ ), volume ( $r = 0.388$ ), valence ( $r = 0.241$ ), are weaker and together explain only 33.6% of the variance on purchase intention. Although these relationships were found to be influential each time they were tested, previous studies have tested these experimental variables, indicating that they require further testing to be eligible as the best predictors of influencing buying behaviour. It is for this reason that the current study explores these predictors and determine if they indeed influence buying behaviour.

E-WOM research into the predictors of buying behaviour is still under development. Out of the total 19 most frequently used relationships on intention to buy from Ismaglovia (2019: 22) research, only 8 predictors were found to be investigated five or more times. This shows that empirical research on e-WOM is still not well established. Moreover, it is not an appropriate condition to conclude on the best predictors on buying decisions by using weight and meta-analysis only. Hence, this study will determine the influence of these dimensions and provide further insights into these on-going inconsistencies.

#### 3.6.1 Analysis of Ismaglovia's meta and weight analysis study

Using the results from 69 studies, the study identified best (**valence, trust in message**), promising (**emotional trust**) and least effective (**volume, existing e-WOM**) predictors of intention to buy in e-WOM research. Promising predictors are more likely to qualify as the

best predictors with important meta-analysis findings and can be considered for future analysis.

Emotional trust is one of the promising predictors, which performed satisfactorily under meta-analysis. The findings are in line with some of the previous studies (Frasquet *et al.* 2015: 401; Husnain and Toor 2017: 198; Saleem and Ellahi 2017: 621; Yang *et al.* 2015: 133; Zainal *et al.* 2017: 42; Zhang *et al.* 2014a: 96) and can be explained by Elaboration Likelihood Model (ELM) and the theory of planned behaviour.

The following conclusions were drawn from the meta-weight analysis report based on the findings. The analysis showed that only 10 out of the 19 relationships reported and used for weight and meta-analysis were found to work satisfactorily under both weight analysis and meta-analysis, which may restrict the generalisability of previous studies' findings. The least successful predictors, such as volume and existing e-WOM, which demonstrated substantial meta-analysis results, require more analysis and confirmation by using primary data to assess their actual output. Therefore, this study is really important to close the gaps left by the meta-weight analysis (Ismaglovia 2019: 9).

### **3.7 HOW COMMUNICATION AFFECTS THE DECISION-MAKING PROCESS AND THEN LINK THIS TO INTERACTIVE MEDIA AND E-WOM**

The rise of digital technology mainly reveals changes in marketing communication, and it is bringing with it brand-new opportunities and methods of reaching consumers. Marketing communication has been subject to continuous alternation since its inception, and its changes are so frequent that many businesses find it difficult to stay current in this area of marketing (Kotler, Kartajaya, and Setiawan 2018: 99). According to Tuten and Solomon (2015: 128), marketing communication is evolving and has gone through three stages: traditional, tradigital, and now OIM. These stages are determined by the overall nature of marketing during a given period.

Communication has evolved from a mass monologue to an interactive dialogue. Customers can participate in the process of building a brand image in a specific market or a specific target group through e-WOM (Szwajca, 2018: 61; Bartok, 2018: 134). Knowing the credibility of the information source as well as the impact of each marketing

communication tool can reveal consumer preferences and how they want to receive relevant information. Out of all marketing tools used by organisations, consumers prefer e-WOM as they say it is more credible than other means of marketing. OIM, as a means of communication, should be able to assist in finding a successful solution to a marketing problem.

When tracking changes in consumer behaviour in response to marketing communication, it is found that millennials (Generations Y and Z) are particularly influenced by marketing communication conducted via the internet and social networks even though they use these media for more than just information. (Lampropoulos, Siakas and Anastasiadis 2019). Changes in marketing communication which are also influenced by technological advancement, play an important role in shaping consumer behaviour. It is undeniable that the persistence of change causes new variations not only in marketing but also in purchasing and decision-making processes. Consumers today are difficult to please, expecting brands to be constantly innovative and expose them to creative communication (Mura and Sleziak 2015; Lewandowska and Stopa 2019), which is especially true for Generation Z and millennials.

### **3.8 GAPS THAT EXIST IN THE LITERATURE**

The reviewed literature has identified gaps in the literature. In Chapter 3. Three variables (volume, valence and trust) thought to influence use of e-WOM were reviewed. Of those three variables, their impact has often been inconclusive. Due to the mixed findings on all variables, this study would like to close the gap by investing in their roles during online buying.

Chapter 2 has established what e-WOM is and identified its relationship with consumer buying behaviour. A review of the literature indicates that in some studies there is a significant relationship between e-WOM and consumer buying behaviour while other studies indicated that there is no relationship. From a review of related studies regarding this relationship, there are still contradictions regarding the role of e-WOM on online buying behaviour, a scenario that is also influenced by different factors. This study seeks

to close the gap in previous studies on the contradictions regarding the role of e-WOM during consumer buying behaviour.

The chapter also presented the influence that COVID-19 had on e-WOM and online buying. Review of literature indicated that although e-WOM has always existed, it is now more relevant than ever. This relevance is primarily due to people spending more time at home and on computers than they would otherwise do due to COVID-19. As a result, the story of a consumer's positive or negative experience will most likely be shared online in a matter of time. Thus, consumers will have an idea of what they want to buy before they commit. The power of e-WOM has grown during COVID-19 and increased its influence in shaping consumer behaviour. On the other hand, despite Covid-19 some consumers indicated that they still prefer physical store so that they get a chance to feel the product before they purchase thus no need to check e-WOM. Consumers also indicated that they do not trust e-WOM so they prefer to go to the store. The study will thus, close the gap in this literature.

In this 21<sup>st</sup> century, use of technology is changing. What happened a decade ago regarding e-WOM may also be changing with time. Geographical space is also changing spatial dimensions. People read reviews and make decisions even on global commodities. Contexts are changing, for example, the pandemic, people preferring e-WOM and other online marketing channels. Millennials also came into fold and are often online to buy goods and services. Using the literature review from Chapter 2 and Chapter 3, this study will devise an instrument to test the influence of e-WOM on consumer buying behaviour and then based on the findings propose a framework for an e-WOM strategy which may influence online consumer buying behaviour. The major themes that emerged from the literature that will be included in the research instrument include demographics and e-WOM variables which include trust, e-WOM volume and e-WOM valence. It is important to see if the existing body of knowledge on consumer behaviour is the same or whether there are noticeable changes. This study will thus contribute to this cause.

### **3.9 CONCLUSION**

The aim of this study is to investigate the influence of electronic word-of-mouth (e-WOM) on the online consumer buying behaviour process. Chapter 2 has established what e-WOM is and discusses its relationship with the consumer buying behaviour process. On the other hand, Chapter 3 has established the influence of e-WOM on the consumer buying behaviour process and determines the factors of e-WOM that influence the consumers' buying decision-making process. The chapter also reviewed the different theoretical underpinnings explaining consumer behaviour, with particular emphasis on online buying behaviour. Using the e-WOM factors influencing consumer buying behaviour, relationship between e-WOM and consumer behaviour this study devised a research instrument to investigate the influence of electronic word-of-mouth (e-WOM) on the online consumer buying behaviour process and thereafter use the findings from the empirical study to propose a framework that explains the influence of e-WOM and establish an e-WOM strategy towards influencing online consumer buying behaviour.



## **CHAPTER 4**

### **RESEARCH METHODOLOGY**

#### **4.1 INTRODUCTION**

An overview of the literature on consumer behaviour and theories was presented in the previous chapters. This chapter explains the research methodology for this study and describes the approach to be used guided by the study's objectives. Following the research objectives, the study design is presented along with a full overview of the primary data collection procedures are presented. The chapter explains the design, population, sampling, data collection and data analysis for this research. It also explains how the data will be analysed. Finally, ethical considerations will be discussed.

#### **4.2 RESEARCH DESIGN**

Saunders, Lewis and Thornhill (2019: 85) describe research design as a comprehensive description of the procedures followed in a research study. It relates to established research methods that have been followed in data collection and analysis. A research design is a framework that outlines the procedures for conducting and carrying out research activities to address the research problem and study objectives. Thus, a research design is critical to the success of any research study (Leedy and Ormrod 2019:17). There are three types of research designs: descriptive, exploratory, and explanatory.

Descriptive research is a research method that describes the characteristics of the population or phenomenon under investigation. The descriptive research focuses on the what of the research subject rather than the why of the research topic. The descriptive research method focuses on describing the nature of a demographic segment rather than on why a specific phenomenon occurs. In other words, descriptive research describes the research topic without explaining why it occurs. The goal of descriptive design is to identify relationships between variables (Sekaran and Bougie, 2016:97).

The study uses a descriptive research design because it accounts for what is going on and uses numbers, enabling statistical relationships to be evaluated. The research is both

descriptive and cross-sectional. Descriptive research is typically a cross-sectional study in which various sections of the same group are analysed. A cross-sectional study examines data from a population at a single point in time (Cherry 2019: 1). A descriptive study is used to answer questions such as who, where and what (Burns and Grove, 2016:165). Survey design was used to collect primary data. This method was chosen because it is suitable when dealing with a larger sample size.

#### **4.4 RESEARCH APPROACH**

A research approach is a step-by-step plan that includes data collection, analysis, and interpretation. There are three research approaches: quantitative, qualitative, and mixed methods. This study uses a quantitative approach and an explanation of this approach is presented below.

The process of gathering and analysing numerical data is known as quantitative research. It can be used to find patterns and averages, make predictions, test causal relationships, and generalise results to larger populations (Saunders *et al.* 2019: 85). Burns and Bush (2014: 148) suggest that data collection and data analysis methods, such as the use of questionnaires and statistics or graphs that use mathematical models and numerical data, are primarily discussed in the quantitative research approach. Morgan (2014: 225) adds that quantitative analysis is an analytical study in which the numerical form of data is used.

Quantitative research is frequently employed to standardise data collection and generalise findings. Because of standardised data collection protocols and tangible definitions of abstract concepts, the study can be repeated. If a quantitative study is conducted, the study can be replicated in different cultural settings, at different times, or with different groups of participants and the outcomes can be statistically compared. Through quantitative data analysis, data from large samples can be processed and analysed using reliable and consistent procedures. Formalised and established hypothesis testing procedures necessitates careful consideration and reporting of research variables, predictions, data collection, and testing methods prior to reaching a conclusion (Regionel 2015: 4).

This study follows a quantitative research approach. The researcher used a quantitative approach to gain a better understanding of the social world. A quantitative method was used by the researcher to observe factors that influence online consumer purchasing behaviour and to test the relationships and hypotheses for the study.

#### **4.5 TARGET POPULATION**

A population refers to the entire community of subjects, persons, or events of interest that the researcher wishes to examine (Kotler and Armstrong 2013: 110). Similarly, Burns and Bush (2014: 221) describe a population as a set of units that the research effort is intended to investigate.

It is possible to identify the target population as the total community of persons or entities from which information is required (Sekaran and Bougie 2016: 260). The target population constituted Generation Z (people born between 1997 and 2012) and millennials (people born between 1981 and 1996). This study, however, focused on people born between 1981 and 2003 because those born after 2003 are still young and financially dependent. The population was drawn from students and members of staff from the Durban University of Technology (DUT). Staff and students were selected on the assumption that their age group gave the researcher the right sample of people born between 1981 and 2003. The millennials and the Generation Z population are different from other cohorts in terms of education and marketing because they are more tech-savvy, tech-linked, price-conscious, conduct more product studies and they surf the internet very frequently and are intense online interactive media users (Bridgeworks 2017: 1). Also, other generational cohorts have been studied in depth, but research on millennial consumers and Generation Z consumers is lacking. This study, thus focused on millennials and Generation Z. These age groups covered both students and staff at the selected higher institution of education in South Africa, DUT because it is convenient and easily accessible thus, cost effective to conduct the research. DUT has approximately 33000 students and 1874 staff members (Lourens 2016: 10). This group was asked to answer the questions based on the experience they had with any South African online stores where they frequently shop.

## **4.6 SAMPLING**

If the study of the whole target population is not practicable, realistic, or financially viable, one must draw a sample (Babin and Zikmund 2016: 413). There are two types of sampling techniques: probability and non-probability. Probability sampling is used when all the elements have an equal chance of being chosen (Wiid and Diggines, 2015:191). When using probability sampling, each unit in the population has an equal chance of being included in the sample. Probability sampling is preferred and commonly used in quantitative studies because it eliminates human bias in the sampling process using random and systematic methods (Bezuidenhout, Davis and Du Plooy-Cilliers, 2014: 140). Nonetheless, this type of sampling will not be used because of its complexity and because it is time-consuming.

Non-probability sampling is used when the elements have no known chance of being chosen. Non-probability is used when determining the entire population is difficult or impossible to obtain access to the entire population. The sample will be chosen based on the researcher's discretion. Non-probability sampling is classified into four types: convenience, purposive, snowball, and quota sampling (Sekaran and Bougie, 2016: 161). Convenience sampling is when a researcher selects respondents who are easily and quickly accessible (Okeke and van Wyk, 2015: 73).

A non-probability sampling technique was used for this study because it is cost effective and reduces non-response error. A convenience sampling technique was used, which refers to gathering information from respondents who are easily accessible (Creswell and Creswell 2017: 23). This method was chosen because it is quick, inexpensive, and simple to collect data. Given the nature of the study, the technique provided adequate representativeness. When deciding on a sampling technique for a study, the researcher considered budget, time, resources, the objectives of the study and an error allowance.

### **4.6.1 Sampling Approach**

To choose the students and employees for this study, convenience sampling was used. Creswell and Creswell (2017: 25) indicated that convenience sampling entails selecting

respondents based on their proximity to the researcher. There was no discernible pattern in the selection of respondents.

#### **4.6.2 Sample size**

According to Burns and Bush (2014: 143), the number of units selected from the target population is a sample size. A sample is identified by Sekaran and Bougie (2016: 296) as a subset of the study population. In addition, the authors add that a larger sample size means more reliability in the study results. A sample size calculator (Survey Monkey, 2021) is used to calculate the sample size and the researcher needed 384 participants. Nonetheless, some participants may not respond, and some questionnaires will be spoiled; hence, an allowance was given to cater for that. Thus, the researcher used a sample size of 400. This is also supported by Sekaran and Bougie (2016: 294) who stated that the sample size varies between studies and can range from 30 to 500 units. In a very large sample size, 384 participants are sufficient for sampling to be representative of the population, to allow group comparisons and to endorse the research findings.

### **4.7 DATA COLLECTION METHOD**

The method of data collection was the survey method. Sekaran and Bougie (2016: 296) suggest that surveys are systematic ways of gathering information from a large number of people through the use of questionnaires. Therefore, the survey is conducted whereby questionnaires are administered to the selected sample in order to extract detailed information on the topic and clarify complex questions. Data was collected from DUT students and staff through self-administered questionnaires. No incentive was given to participants.

#### **4.7.1 Research Instrument**

The research instruments that can be used for primary data collection according to Saunders *et al.* (2019: 103) are interviews, observations, questionnaires, standardised assessments, archival documents, and documentation. A questionnaire was used to collect data in the current study. Questionnaires were considered the most effective method for data collection in this analysis for the following reasons:

- It can gather reliable, impartial, and appropriate data.

- It makes it possible to collect a large amount of information from students and staff.
- Considering the greater number of targeted respondents and their geographical dispersion, the most cost-effective approach is assumed to be a questionnaire.
- As observed by Saunders (2019: 103), given the existence of fixed-answer questions, a questionnaire decreases the uncertainty of outcomes. However, while there are many benefits to using a questionnaire, the design of a questionnaire is a time-consuming and complex exercise.

#### **4.7.2 Questionnaire design**

The development of a questionnaire, according to Babin and Zikmund (2016: 53), requires decisions on wording, ordering of questions, collection and wording of answer choices, formatting, and question management mode. Babin and Zikmund (2016: 53), add that for this instrument to be a vital one for data collection, it needs to be adequately prepared and administered responsibly. According to Wiid and Diggins (2017: 41) note that questionnaire design is one of the most critical skills a researcher should possess.

The objectives and hypotheses guided the methodology and plan for the analysis of the data. Therefore, the objectives and hypotheses of research determined how a questionnaire was organised and what items (constructs/correlates/variables - in the form of questions) should be included. Before constructing a questionnaire, the following were put in place: clear objectives, hypotheses and a listing of selected variables. An initial collection of coherent items or variables related to the objectives and hypotheses is always beneficial. Therefore, a listing of variables was done before the questionnaire design. Such a listing helps identify the important dimensions of the domain of interest. From the objectives, the following variables were identified: consumer behaviour, e-WOM, trust, e-WOM volume, and valence. After organising the constructs, most of the questions posed were specifically related to the research objectives and were drawn from the studies of Voramontri and Klieb (2019: 22) and Osei and Abenyin (2016: 278). Some questions were used as they are while some were modified to suit the study objectives.

The arrangement of variables in a sequential manner from origin to destination is a conceptual framework. The questionnaire included all variables that appear in the

conceptual framework developed in Chapter 1. Also, during the questionnaire design, the researcher had to be aware of the participants' vocabulary to make the questions simple and easily answerable. Simple English was also used to ensure participants understood the questions' requirements.

The questions were constructed with predetermined responses, primarily using closed-ended questions. Given the high volume of questions and a huge sample size, analysis of the responses to open-ended questions would be difficult. The other reason for using closed-ended questions is that since they require minimal writing by the respondent, the questions would be simpler and faster to answer (Babbie 2016: 240).

Wiid and Diggines (2017: 1590) specifies six types of closed-ended questions and these are: ranking, category, listing, rating, quantity, and grid. A combination of ranking and category form of closed-ended questions was included in the questionnaire. In order to request information on individual perceptions, the questionnaire included predominantly Likert-style questions. According to Wiid and Diggines (2017: 159), a respondent is issued a statement or statements about the attitude under investigation and is asked to rate how much they agree or disagree with the statement using a Likert scale. This was done on a scale of 5 points, ranging from strongly disagree (SD) to strongly agree (SA).

There were 36 questions in four parts in the questionnaire. Smith (2017: 84) suggests that if these questions (income, gender, education and age) are put at the end of the questionnaire, there will be a higher response rate on personal questions. It is also proposed by Wiid and Diggines (2017: 172) that sensitive questions should be asked last.

Consequently, the first segment dealt with the demographic features of the respondents. Demographic information was considered important since it was used as a qualifying question to check if respondents fell into the millennial or Generation Z categories.

#### **4.8 PILOT STUDY**

A pilot study is small, preliminary research conducted to assess duration, feasibility, cost and adverse events, as well as to improve the study design prior to the execution of a comprehensive research project. To pilot the questionnaire, Babin and Zikmund (2016:

60) suggest a minimum of 12 respondents. Therefore, to complete this process, 12 questionnaires were distributed to the DUT staff and students. To allow the pilot study to be more reflective of the anticipated sample characteristics, these students and members of staff were conveniently selected.

#### **4.9 DATA COLLECTION**

To achieve the objectives of the study, primary research was conducted. Primary research is the collection of first-hand information to shed light on the specific problem under analysis. Self-administered questionnaires were used to collect data. Due to COVID-19 regulations, questionnaires were distributed via the DUT email system. Questions were loaded on survey monkey and a link was sent via the DUT email system by the researcher. Data was collected between 1 September 2021 to 26 November 2021.

#### **4.10 DATA ANALYSIS**

Data is cleaned, reviewed, transformed, and modelled to present valuable details, facilitate decision-making and suggest conclusions (Babin and Zikmund 2016: 60). De Vaus (2014: 208) adds that data analysis is the process of organising research data in a structured way and using that knowledge to test research hypotheses.

The collected data was cleaned and loaded onto an Excel spreadsheet. The researcher, with the assistance of a statistician, performed the necessary statistical tests. The data was analysed using the most recent edition of the Statistical Package for Social Sciences (SPSS) version. Typically, marketing scholars use SPSS rather than any other statistical method. SPSS is well known for being user-friendly (Babin and Zikmund 2016: 60). The analysed data was translated into a visual context through tables and graphs to make it easier for the human brain to understand and draw insights from. The main goal was to make it easier to identify patterns, trends and outliers in large data sets.

##### **4.10.1 Descriptive statistics**

De Vaus (2014: 208) states that a set of data that has been collected is descriptive statistics. Descriptive statistics use data collection and analysis methods that measure central tendency, variance and correlation. Components of what is generally referred to as descriptive statistics are data display and data summaries. As proposed by Babin and



Zikmund (2016: 60) for a study such as this one, the presentation of data in a meaningful way can be done using descriptive statistics in this study.

Data results were summarised in this research using tables and descriptive statistics such as means, percentages, and response frequencies. Frequency is the number of times that a value occurs in a dataset, or the sum of respondents giving the same answer. Data can be simplified into a standard numerical set and the use of percentages allows for easy comparability. In every one hundred cases, a percentage represents the relative proportion. In this research, graphs were used to represent the results obtained. The results of the demographic profile of respondents, the influence of e-WOM on consumer buying behaviour and e-WOM factors influencing consumer buying behaviour were summarised using descriptive statistics.

#### **4.10.2 Inferential statistics**

The estimation of parameters and assumptions is evaluated using inferential statistics. The researcher used inferential statistics to draw conclusions about a population. Inferential statistics generalise from samples to populations, perform different tasks, test hypotheses, assess relations between variables and make predictions. Inferential statistics were used to test the relationship between the dependent (consumer buying behaviour) and independent variables. Regression analysis and structural equation modelling (SEM) are examples of inferential statistics which were used to interpret the data in this study.

#### **4.11 VALIDITY**

Validity is the extent to which the data in a study is accurate and dependable. Thus, checking the accuracy of the findings is very important because it helps to determine if the results are accurate from the viewpoint of the researcher, the contributor and those who will read the final research. In member checking, the ultimate findings are used to check whether participants believe the findings are accurate or not (Sekaran and Bougie 2016: 225). Construct validity is also used. The construct validity of a measurement tool determines whether it accurately measures the construct the researcher seeks to measure. It is crucial for determining a method's overall validity.

The researcher also used face validity. Face validity considers how appropriate a test's content appears on the surface. Face validity is often regarded as the weakest form of validity because it is a subjective measure. It may, however, be useful in the early stages of developing a method. Lastly, the study also employs factor analysis for statistical data reduction and analysis, which attempts to explain various outcome correlations as the result of one or more underlying explanations or factors. The method entails data reduction, as it tries to represent a set of variables with a smaller number of variables (Haradan 2017: 8).

#### **4.12 RELIABILITY**

Reliability refers to the degree of agreement or consistency with which an instrument measures the attributes it is designed to measure (Wiid and Diggines 2017: 7). Sekaran and Bougie (2016: 227) state that reliability is important because it tests if the study fulfils its predicted aims and hypotheses and ensures that the results are confined to the internal investigation. Cronbach's alpha testing is used to assess consistency, and 0.7 was chosen as the upper limit because a reliability coefficient of 0.70 or higher is good, 80 and above is better, and 90 and above is best.

#### **4.13 ANONYMITY AND CONFIDENTIALITY**

Anonymity and confidentiality apply to the researcher's ability to protect personal information and the identities of the respondents (Crow and Wiles 2018: 1). In this study, anonymity and confidentiality were maintained by keeping the completed questionnaires away from the public and by not requiring the respondents to reveal their names. The questionnaires were dropped directly into the drop box by the respondents. The researcher also used a code system whereby a person involved in the investigation was numerically defined.

#### **4.14 ETHICAL CONSIDERATIONS**

Greenfield (2016: 1) notes that the principles of demeanour and the use of techniques in market research ethics are concerned with not harming respondents or other parties. A study has ethical aspects that require the researcher, even if the participants are unaware of the ethics, to maintain both moral and professional responsibilities that are driven by

ethics. Official authorisation from the institution of higher education involved in the research was given. Letters of request, a copy of the questionnaire and the accepted study proposal were sent by email to higher education institutions to obtain the consent of the institutions prior to the delivery of the questionnaire.

According to Kumar (2014: 217), confidentiality, anonymity, deceit, honesty, imposition, and misrepresentation are the key ethical concerns that occur in client-based marketing research. Ethical approval is required for this thesis and was obtained from the university's ethics committee before testing was carried out. This gives assurance that all the ethical issues listed above were considered. The researcher assured participants that they could withdraw from the study process at any time. The researcher explained the purpose of the study and assured participants of their anonymity upon the completion of the questionnaires. The respondents clarified and signed the consent document, stating that they fully understood what was required of them. The respondents also signed a consent document where they agreed to participate voluntarily.

#### **4.15 CONCLUSION**

The research methodology that was followed in this study is explained in this chapter. The study design, target audience, sample selection and size, instrument design, methods of data collection and analysis, and validity and reliability were discussed. This thesis employed the quantitative analysis methodology. Non-probability sampling was used to select students and employees. The research followed a survey approach that was carried out with predetermined response choices for DUT staff and students using self-administered standardised questionnaires. The issues of validity, reliability, confidentiality, privacy, and ethics were also discussed in this chapter, clearly illustrating how these are to be addressed.

A presentation of the research findings and the interpretation of the results is provided in the next chapter.

## **CHAPTER 5**

### **RESULTS AND DISCUSSION**

#### **5.1 INTRODUCTION**

The previous chapter presented the research methodology that was used in this study. The data collection and analysis as guided by the research objectives were the main issues discussed.

This chapter presents and discusses the results of the study. Firstly, the descriptive statistics are presented using the mean values, complemented by bar graphs and pie charts. The results of the study are presented in the following order: reliability statistics, demographics, followed by the influence of e-WOM on purchase decisions. A regression analysis is also presented and discussed to ascertain the relationship between consumer buying behaviour and other variables. Finally, structural equation modelling (SEM) is presented to measure and analyse the relationships between the observed and latent variables.

#### **5.2 RELIABILITY STATISTICS**

The two most important aspects of precision are reliability and validity. The reliability of the questionnaire is computed by taking several measurements on the same subjects and computing the Cronbach alpha coefficient. A reliability value of 0.70 is an acceptable coefficient, though lower thresholds are often accepted, depending upon the nature and context of the study (Tavakol and Dennick 2011: 53). Generally, higher reliability coefficients are indicative of satisfactory reliability of a research instrument. When using Likert-type scales, it is imperative to calculate and report Cronbach's Alpha coefficient for internal consistency reliability for any scales or subscales that a study is adopting. Composite reliability (CR) was also used to test reliability since Cronbach's alpha is not structural equation modeling (SEM) based, yet it is the most commonly-reported reliability coefficient in studies using SEM (Cho 2016: 652). This practice continues despite numerous notes of its misuse (Flora 2020: 485).

**Table 5. 1 Reliability Test**

Items	Number of items	Cronbach's Alpha
Competence	3	0.923
Benevolence	3	0.902
Integrity	3	0.925
Emotional trust	4	0.929
Volume	3	0.939
Valence	4	0.786
e-WOM adoption	6	0.896
Consumer behaviour	6	0.810

Table 5.1 reflects the Cronbach's alpha score for all the items that constituted the questionnaire. The results show that reliability scores for all sections approximate or exceed the recommended Cronbach's alpha value. This therefore indicates a degree of acceptable, consistent scoring for these statements.

NB: Factor analysis was not done because statements were already grouped

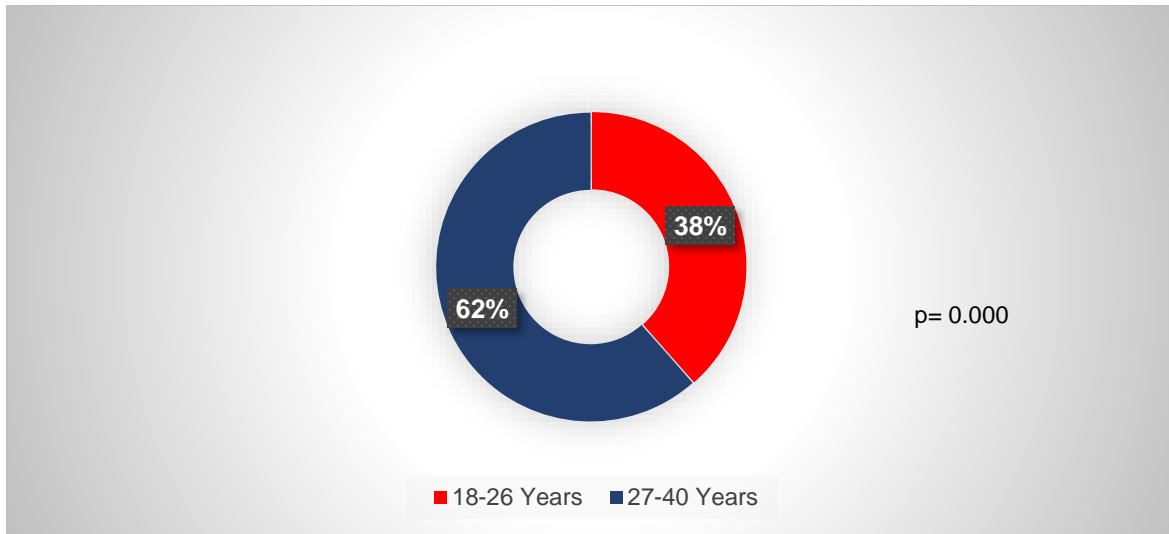
The analysis of the main survey results is provided in the next section.

### **5.3 RESPONSE RATE**

The researcher intended to collect data from 400 participants. Thus, the link to the survey was sent to 400 participants. The researcher received 294 responses, but unfortunately six were removed as the participants indicated that they do not buy online. Hence, the researcher was left with 288 responses which is 72% response rate. According to Botani (2021: 1), if a questionnaire is distributed via email, the acceptable response rate is 60%; thus, the response rate for the survey was very good. The following section presents the demographics of the respondents.

### **5.4 AGE CATEGORY OF THE PARTICIPANTS**

The participants were asked to indicate their age group and the findings are presented below in Figure 5.1.



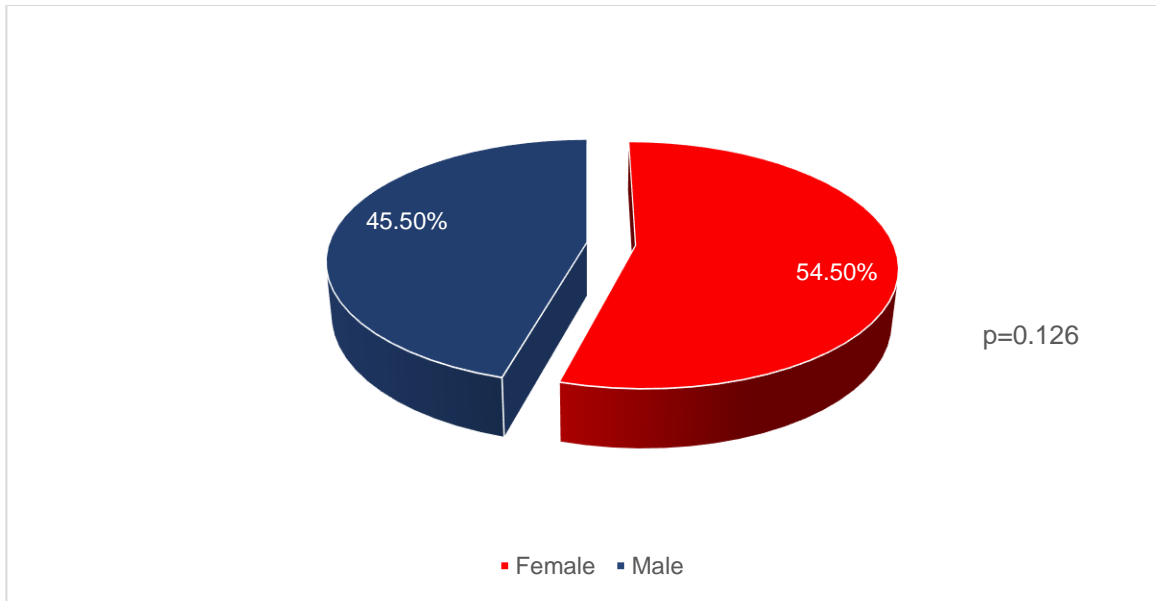
**Figure 5.1: Age category of the participants**

Of the respondents, the millennials (27-40yrs) constituted 62%, while Generation Z (18-26 yrs) were 38%. The results are also supported by a p value less than 0.05, which signifies that the millennials' proportion is significantly higher than that of the Generation Z age group. The results could be attributed to the fact that the 27-40 year age group might have more people going to work; thus, they can afford to buy online. This is an important consideration given that retailer and consumer researchers continuously try to understand how millennials differ from Generation Z (Schlossberg 2016: 10).

Consumer attitudes and behaviours are influenced by the age of the receiver of e-WOM communications. As people get older, they become more cautious and seek greater certainty in their purchase decisions. As such, marketers often put consumers into segments by generational cohorts for marketing purposes. According to Baizley (2018: 1), different generational cohorts have different responses to different goods and their advertisements. This study seeks to examine how the two main generational cohorts of millennials and Generation Z are affected by e-WOM during their interactions on OIM when making purchasing decisions.

## **5.5 GENDER DISTRIBUTION OF THE PARTICIPANTS**

Participants were also asked to indicate their gender, and the findings are depicted in Figure 5.2 below.



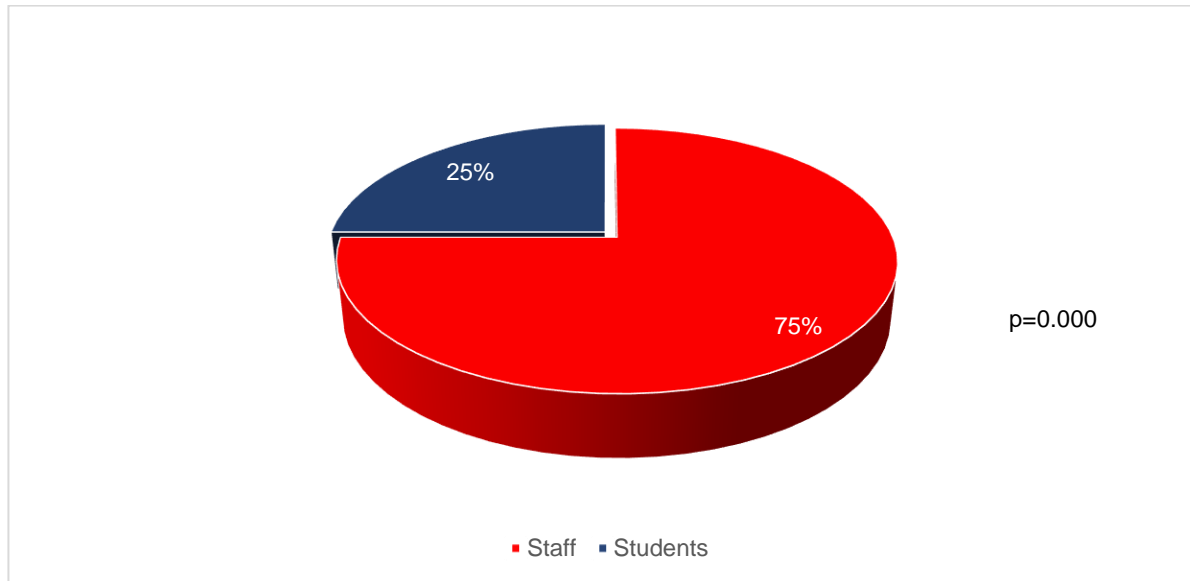
**Figure 5.2: Gender distribution of the participants**

The findings show that the majority of the participants (54.5%) were females compared to 45.5% males. Nonetheless, the p-value of 0.126 shows that there is no significant difference in female and male proportions. Several studies have shown that males tend to use the internet in a utilitarian way, while females are more emotional towards shopping (Çelik and Yilmaz, 2011; Venkatesh *et al.* 2012). For the case of online information, the study conducted by Chiu *et al.* (2009) concludes that males tend to consider more valuable activities that provide an enjoyable experience online, such as the use of games or videos, while females consider more valuable those activities that allow them to have better personal relationships, such as chat rooms or instant messaging. Therefore, it can be assumed that in the acceptance of e-WOM information for the purchase decision-making process, females will tend to attach higher importance to this type of information than males.

The e-WOM is enhanced by the exchange of information about products and services via the internet, which is considered credible and reliable by consumers (Rejón-Guardia *et al.* 2013: 62). Certain differences can be seen in the use made of those opinions by males and females (Chan, Cheung, Shi, and Lee, 2015: 134), and therefore gender is a variable to be considered in the development of online marketing and reputation management strategies.

## 5.6 OCCUPATION OF THE PARTICIPANTS

The study consisted of DUT students and staff, hence, they were asked to indicate their category of occupation.



**Figure 5.3: Distribution of occupation of the participants**

As shown in Figure 5.3, the highest proportion of participants were students (75% compared to 25% of the staff who responded). There is a significant difference between the proportions as supported by a p-value of less than 0.05.

The following section will present the descriptive statistics from the 5-point Likert scale analysis. The "strongly disagree and disagree components, as well as agree and strongly agree components were combined for ease of interpretation to provide an aggregate response on whether the respondents either agree or.

## 5.7 INFLUENCE OF COMPETENCE ON CONSUMER BUYING BEHAVIOUR

In this study, competence was used to measure the extent to which online stores are capable, knowledgeable, and skilled in offering competent services to consumers, as this is important when consumers make purchase decisions. The findings of this assessment are shown in Table 5.2.



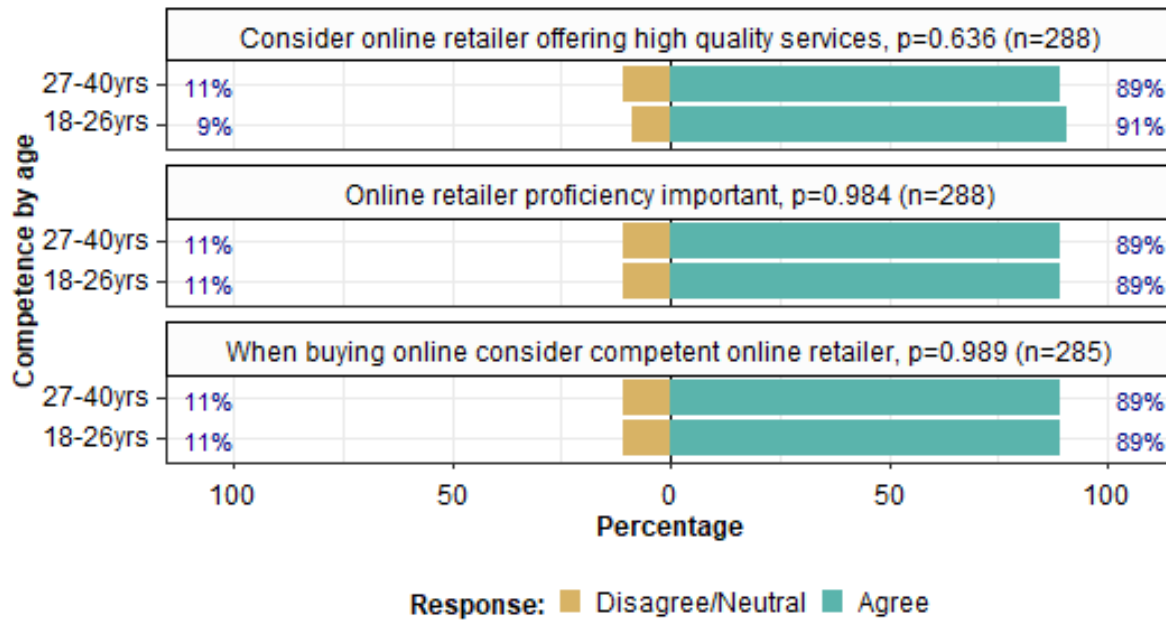
**Table 5. 2 Influence of competence on consumer behaviour**

Competence	Disagree	Neutral	Agree	Total	Mean (p-Value)
	n (%)	n (%)	n (%)	n (%)	
Consider online retailer that offers competent services	14 (4.9%)	17 (6.0%)	254 (89.1%)	285 (100%)	4.30 (p<0.001)
The online retailer is effective in offering high quality services	14 (4.9%)	17 (5.9%)	257 (89.2%)	288 (100%)	4.27 (p<0.001)
Proficiency of an online retailer is important to me	13 (4.5%)	16 (5.6%)	259 (89.9%)	288 (100%/	4.32 (p<0.001)

The results in Table 5.2 indicate that 89.1% of the respondents agree that when buying online, they consider an online retailer that offers competent services, while only 6.0% of the respondents were neutral. The findings also show that majority of the respondents (89.2%) agree that an online retailer is effective in offering high quality services. Further, the results indicate that majority of the respondents (89.9%) agree that the proficiency of an online retailer is important during buying decision-making process. The results are also statistically proven by the p-value of 0.001, confirms that the proportion of participants who agreed was significantly higher than that of those who disagreed.

Competence is the trustees' knowledge, strength, and features that, in the context of this study, are geared towards influencing how a consumer makes an online purchase decision. Generally, these findings suggest that consumers consider competent online retailers when they make an online purchase decision. Consumers prefer online retailers that offer quality services and are competent considering that there is no direct interaction between the retailer and the consumer. Thus, online retailers ought to be competent so that their clientele will trust their brand and buy again.

An analysis was done to determine how each age group is influenced by competence during online buying. The results are illustrated in Figure 5.4 below.



**Figure 5.4: Influence of competence on consumer buying behaviour by age**

Figure 5.4 shows that the Generation Z has a higher proportion (91%) of participants who agreed that online retailers offer high quality services. However, statistically the  $p$ -value of 0.636 shows that the Generation Z proportion who agreed that online retailers offer high quality services is not significantly higher than the millennials. The second and third statements also show that no age group has a proportion that is significantly higher than the other, and this is statistically proven by the  $p$ -value of 0.984. From the findings, it can be concluded that these two generational groups behave in a similar way during buying process. The results suggest that the age of the consumer is generally not an influencing factor on a retailer being competent, implying that any age group of consumers generally consider online retailer competency when making their purchase behaviour.

## 5.8 INFLUENCE OF BENEVOLENCE ON CONSUMER BUYING BEHAVIOUR

Table 5.3 below presents results of whether benevolence influences participants' buying behaviour.

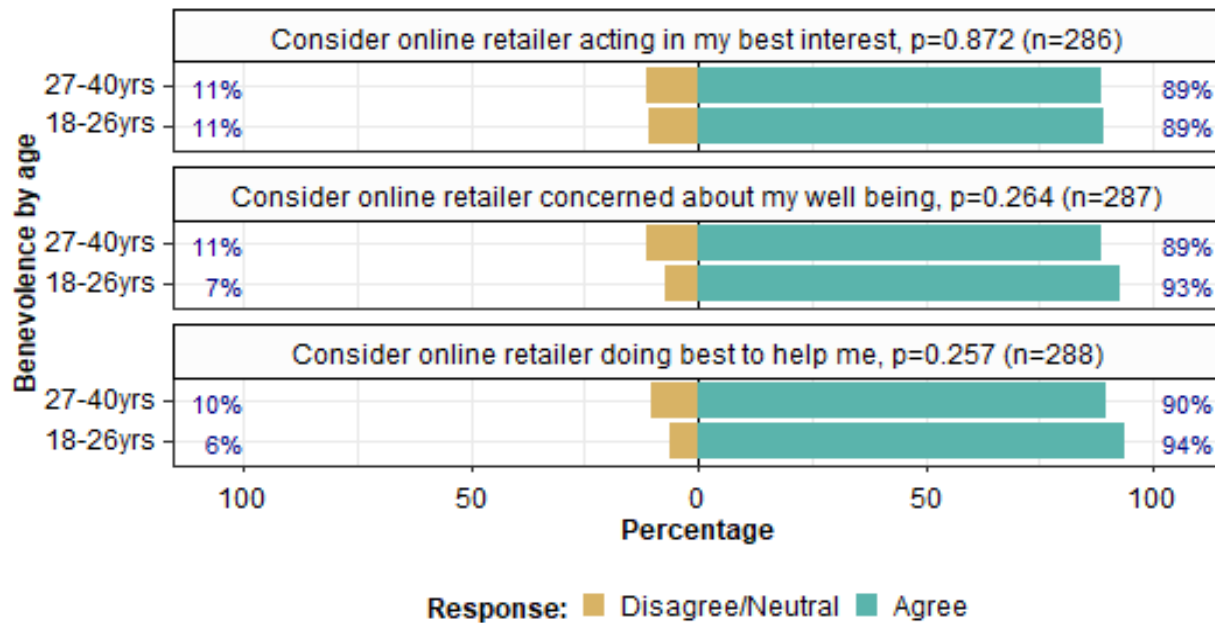
**Table 5. 3 Influence of benevolence on consumer buying behaviour**

Benevolence	Disagree	Neutral	Agree	Total	Mean (p-value)
	n (%)	n (%)	n (%)	n (%)	
Consider online retailer doing best to help me	10 (3.5%)	15 (5.2%)	263 (91.3%)	288 (100%)	4.29 (p<0.001)
Consider online retailer concerned about my well-being	9 (3.2%)	19 (6.6%)	259 (90.2%)	287 (100%)	4.31 (p<0.001)
Consider online retailer acting in my best interest	15 (5.3%)	17 (5.9%)	254 (88.8%)	286 (100)	4.27 (p<0.001)

Findings in Table 5.3 indicate that 91.3% of the respondents agree that when buying online, they consider the online retailer that does its best to help them, while only 3.5% of the respondents disagree. The findings also show that most of the respondents (90.2%) agree that they consider the online retailer that is concerned about their well-being than the company's. Furthermore, the results indicate that majority of the respondents (88.8%) agreed that online retailers act in the best interest of the consumers. A mean score above 4 (statistically proven by a *p-value* of 0.001) indicates that the proportion of participants who agreed was significantly higher than that of those who disagreed. The findings from this analysis imply that marketers have to place consumer interests ahead of their own self-interest, highlighting a sincere concern for the welfare of the customers in order to build customer loyalty. Further, a happy customer will always spread such good news to prospective consumers through e-WOM.

Benevolence measures the degree to which a trustee is believed to do good to the trustor in such a way that it influences the online purchase decisions that consumers make. In this case, the trustee is the online retailer, while the trustor is the consumer. In this light, it was important to assess the benevolence to determine if it influences consumers purchase decisions during online buying.

An analysis on how each age group is influenced by benevolence during online buying was also done. The results of this analysis are presented in Figure 5.5 below.



**Figure 5.5: Influence of benevolence on consumer buying behaviour by age**

Figure 5.5 shows  $p$ -values above 0.005, thus signifying that no age group has a proportion that is significantly higher than the others. Although the proportion of the 27-40 age group consider online retailers that their best to help is higher than the proportion of the 18-26 years. Statistically, a  $p$ -value of 0.257 shows that no category has a significantly higher proportion than the other. The results suggest that no matter the age group, consumers are influenced by online retailers who act in the best interest and welfare of the consumer, thereby influencing their purchase decision during online buying.

## 5.9 INFLUENCE OF INTEGRITY ON CONSUMER BUYING BEHAVIOUR

The findings of the influence of integrity on consumer buying behaviour analysis is presented in Table 5.4 below.

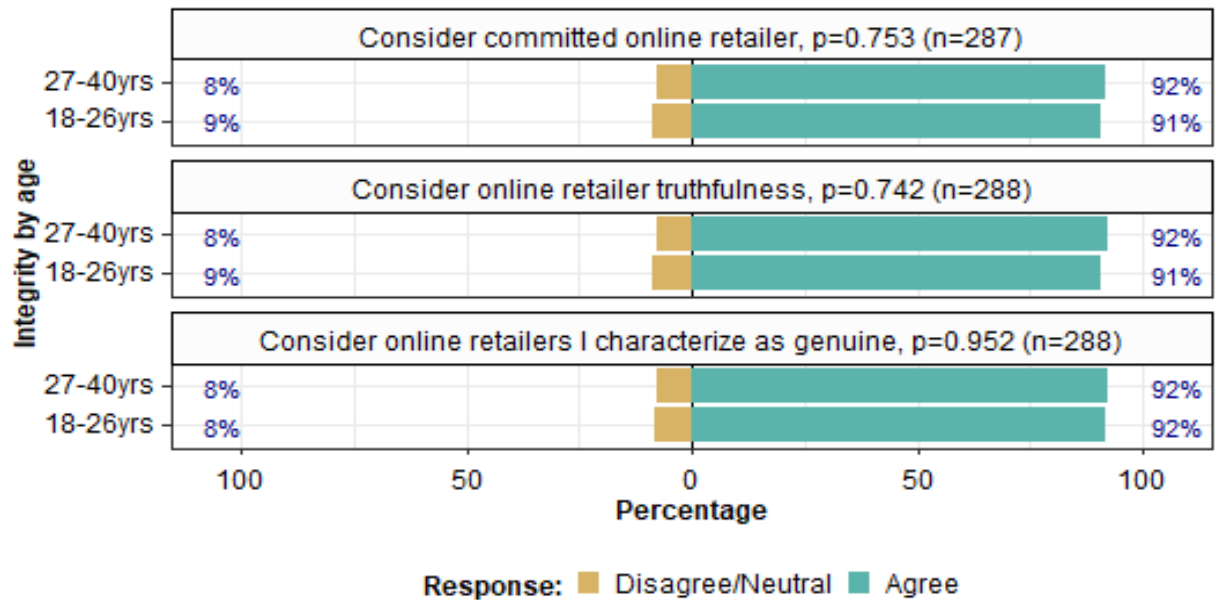
*Table 5. 4 Influence of integrity on consumer buying behaviour*

Integrity	Disagree	Neutral	Agree	Total	Mean (p-value)
	n (%)	n (%)	n (%)	n (%)	
Consider online retailer I characterise as genuine	10 (3.5%)	13 (4.5%)	265 (92.0%)	288 (100%)	4.38 (p<0.001)
Consider online retailer's truthfulness	11 (3.8%)	13 (4.5%)	264 (91.7%)	288 (100%)	4.33 (p<0.001)
Consider committed online retailer	12 (4.2%)	12 (4.2%)	263 (91.6%)	287 (100%)	4.34 (p<0.001)

The results in Table 5.4 indicate that 92% of the respondents agree that they consider an online retailer that they characterise as genuine. The findings also show that 91.7% agree that they consider the online retailer that is truthful. Further, the results indicate that the majority of the respondents (91.6%) agree that they consider an online retailer that is committed to its clients. The results are also supported by a mean above 4 and a p-value of 0.001 indicating that the proportion of participants who agreed was significantly higher than that of those who disagreed. In the online shopping sense, the online retailer must remain reliable throughout the buying process, as this also influences the frequency of their online shopping activities.

The integrity of online retailers is vital in determining consumers' decisions to purchase online. It is because the more consumers' trust online shopping, the more they will engage in online shopping activities. Integrity was measured in this study to understand how it influences consumers during online buying.

The study also measured how each age group is influenced by integrity during online buying; the findings are presented in Figure 5.6 below.



**Figure 5.6: Influence of integrity on consumer buying behaviour by age**

Figure 5.6 illustrates p-values above 0.05, thus signifying that no age group had a proportion that is significantly higher than the other with regards to the influence of integrity on age. This suggests that the different age groups have similar online buying behaviour. It is thus imperative that online media ensure they build and maintain their integrity, as it is a main driver of consumer buying behaviour, especially with regards to e-WOM media platforms.

## 5.10 INFLUENCE OF EMOTIONAL TRUST ON CONSUMER BUYING BEHAVIOUR

Table 5.5 below presents the findings on the influence of emotional trust during online buying.

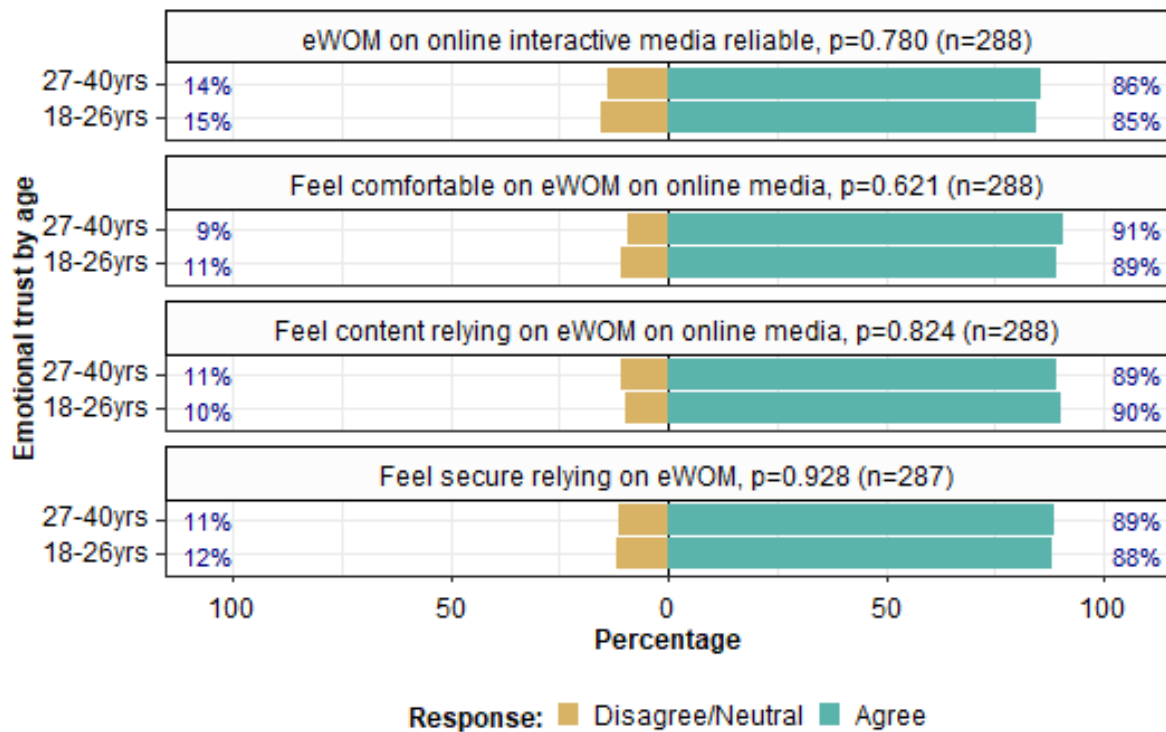
**Table 5. 5 Influence of emotional trust on consumer buying behaviour**

Emotional trust	Disagree	Neutral	Agree	Total	Mean p-value
	n %	n %	n %	n %	
Feel secure relying on e-WOM	13 (4.5%)	20 (7.0%)	255 (88.8%)	288 (100%)	4.34 ( $p < 0.001$ )
Feel content relying on e-WOM	10 (3.5%)	20 (6.9%)	258 (89.6%)	288 (100%)	4.35 ( $p < 0.001$ )
Feel comfortable using e-WOM	8 (2.8%)	20 (6.9%)	259 (90.3%)	287 (100%)	4.35 ( $p < 0.001$ )
E-WOM is reliable	16 (5.6%)	26 (9.0%)	246 (85.4%)	288 (100%)	4.30 ( $p < 0.001$ )

The results indicate that 89.8% of the respondents agree that when they are buying online, they consider an online retailer that offers competent services, and they feel secure when they rely on e-WOM while 4.5% of the respondents disagreed. The findings also show that the majority of the respondents (89.6%) agree that they are content relying on e-WOM if they want to make an online purchase decision. Further, the results indicate that the majority of the respondents (85.4%) agree that e-WOM is reliable and can easily be used to make online purchase decisions.

The results are also supported by a mean value above 4, as well as a *p-value* of 0.001, indicating that the proportion of participants who agreed was significantly higher than that of those who disagreed. These findings reiterate the importance of emotional trust that is attached to online purchase behaviour, and thus an important factor that marketers should consider when enhancing consumer loyalty. The findings concur with the findings of Zhang *et al.* (2014a: 96), who found that emotional trust has a major positive impact on buying behaviour when they conducted an experiment with participants from Hong Kong. However, emotional trust was not found to be very influential to consumer behaviour in a meta-analysis conducted by Ismagilova *et al.* (2019: 9). Emotional trust was measured to understand how the emotions of consumers towards online retailers influence their online buying behaviour.

The study also measured how each age group is influenced by emotional trust during online buying and the findings are presented in Figure 5.7 below.



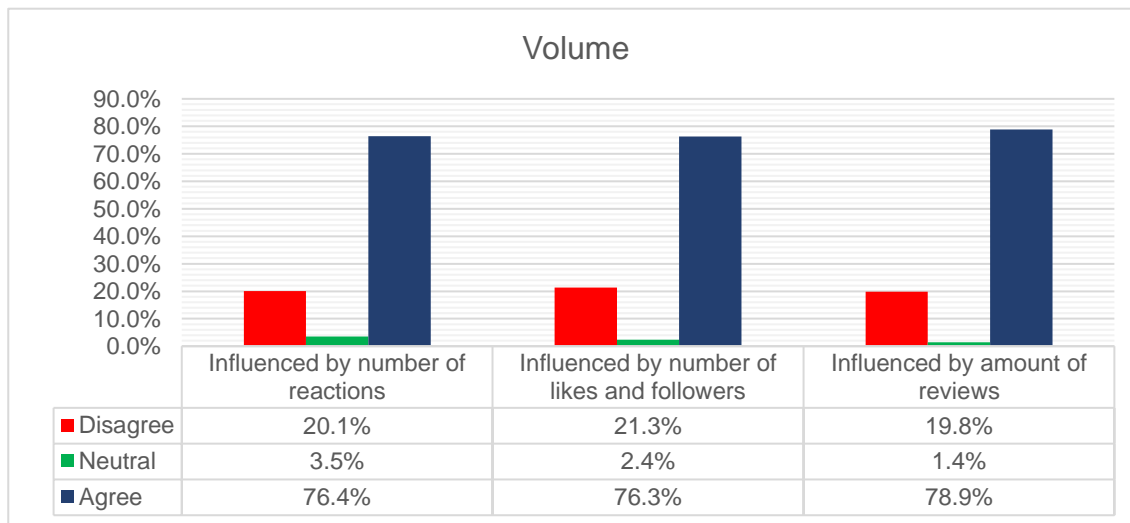
**Figure 5.7: Influence of emotional trust on consumer buying behaviour by age**

Figure 5.7 illustrates how each age group regards emotional trust as an influencing factor in their online purchase decisions. The *p-values* are all above 0.05, thus signifying that no age group had a proportion that is significantly higher than the other, suggesting that these two different age groups have comparable buying behaviour. This still reiterates the importance of ensuring that online marketers consider the emotional trust that consumers attach to online buying decisions.



### 5.11 INFLUENCE OF E-WOM VOLUME ON CONSUMER BUYING BEHAVIOUR

In this study, participants were asked if volume influenced their online consumer behaviour. The results of this analysis are presented in Figure 5.8 below.



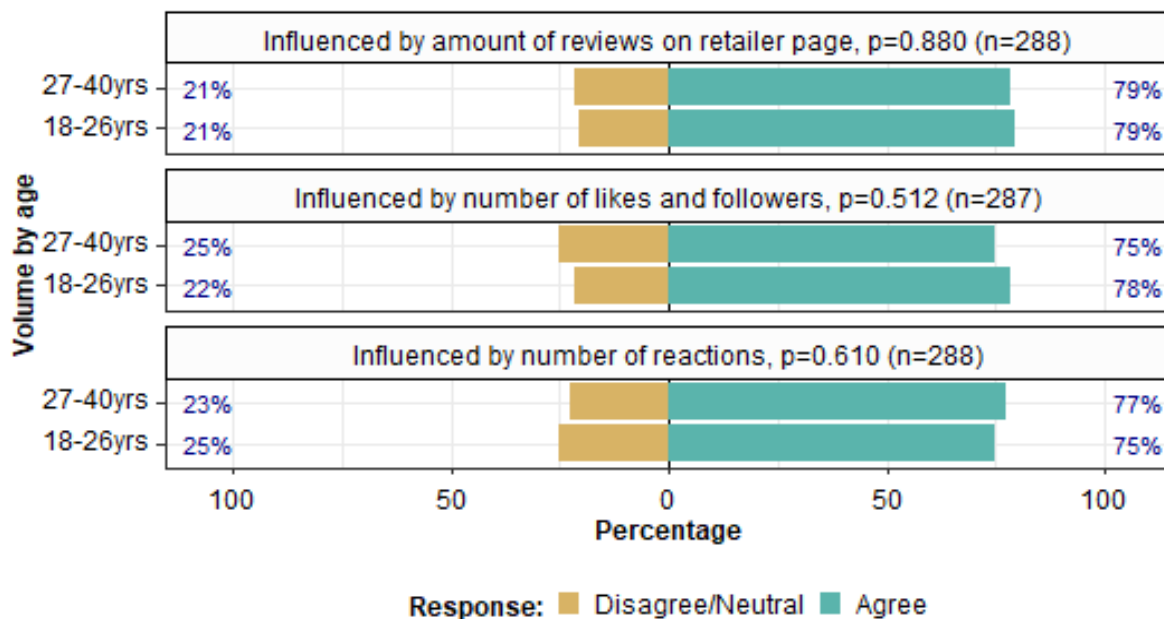
**Figure 5.8: Influence of volume on consumer buying behaviour**

The majority of the participants (76.4%) agreed that they are influenced by the number of reactions during online buying. Furthermore, 76.3% agreed that their buying behaviour is influenced by likes and number of followers on a retailers' social media page. A further 78.9% of the participants agreed that the number of reviews influence their online buying behaviour. Overall, e-WOM volume influences consumer online buying behaviour.

The findings align with the findings of previous studies (e.g., Kim, Cheong, and Kim 2017: 229), which showed that the number of e-WOM communications had a positive impact on intention to purchase. He and Bond (2015: 1523) also found that e-WOM volume positively influences purchasing intention in the film context. Further, a study by Hoang and Tung 2022: 13), indicated that quantity of e-WOM had a positive influence on consumer behaviour. These findings therefore suggest the importance of e-WOM volumes toward making information more observable to online consumers so it helps them make a decision during an online purchase. The volume of e-WOM

communications influences the intention to buy because the number of e-WOM messages makes information more visible when consumers search for e-WOM. The volume of e-WOM indicates the popularity of the product or service, and the number of e-WOM communications influences a purchase intention.

The study also sought to understand if different age groups were influenced by e-WOM volume; the findings from this analysis are presented in Figure 5.9 below.

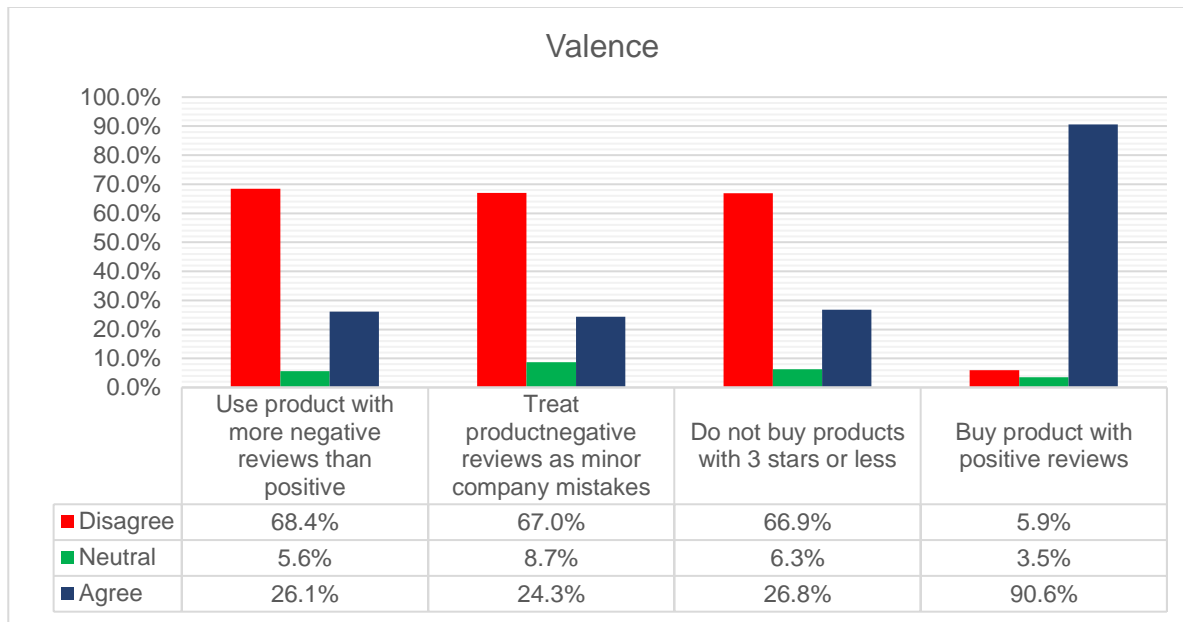


**Figure 5.9: Influence of volume on consumer buying behaviour by age**

Figure 5.9 depicts findings on the influence of volume on consumer behaviour for the different age groups. The  $p$ -values above 0.005 signify that no age group had a proportion that is significantly higher than the other on whether volume determined their online purchase behaviour, suggesting that age groups behave in a similar way during the buying process. This inference implies that marketers should consider the importance of the volume of e-WOM as it influences the online purchase decisions of consumers.

## 5.12 INFLUENCE OF E-WOM VALENCE ON CONSUMER BUYING BEHAVIOUR

Valence was measured in this study to understand its influence during online buying. Table 5.7 below illustrates the analysis on whether valence, as an e-WOM factor, influences their online purchase process.

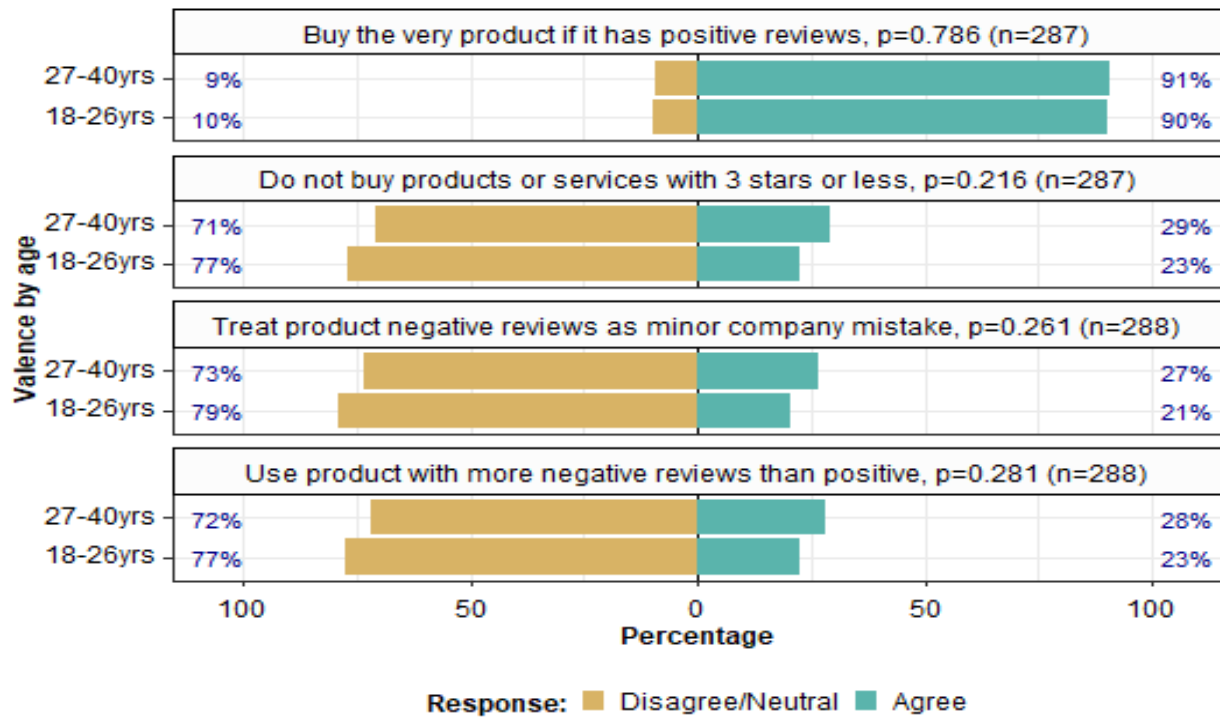


**Figure 5.10: Influence of valence on consumer buying behaviour**

The majority of the participants (90.6%) agreed that they are influenced to buy a product if it has positive reviews. Moreover, a majority of the participants (66.9%) also disagreed that they do not buy products with 3 stars or less, implying they buy products that have rating higher than 3 stars. Further, the majority of the participants (67%) disagreed that they treat negative product reviews as minor company mistakes.

The results are in line with those of previous studies, for example, Mauri and Minazzi 2013: 55, who conducted studies with Italian students and confirmed that positive online hotel reviews increase the intention to book. Some studies relate to the influence of valence on the intention to buy (e.g., Ladhari and Michaud 2015: 36; Mauri and Minazzi 2013: 55) and found its influence to be significant in terms of the impact of valence on the intent to buy.

It was also imperative to determine if different age groups were influenced by e-WOM valence. The findings of this analysis are presented in Figure 5.11 below.

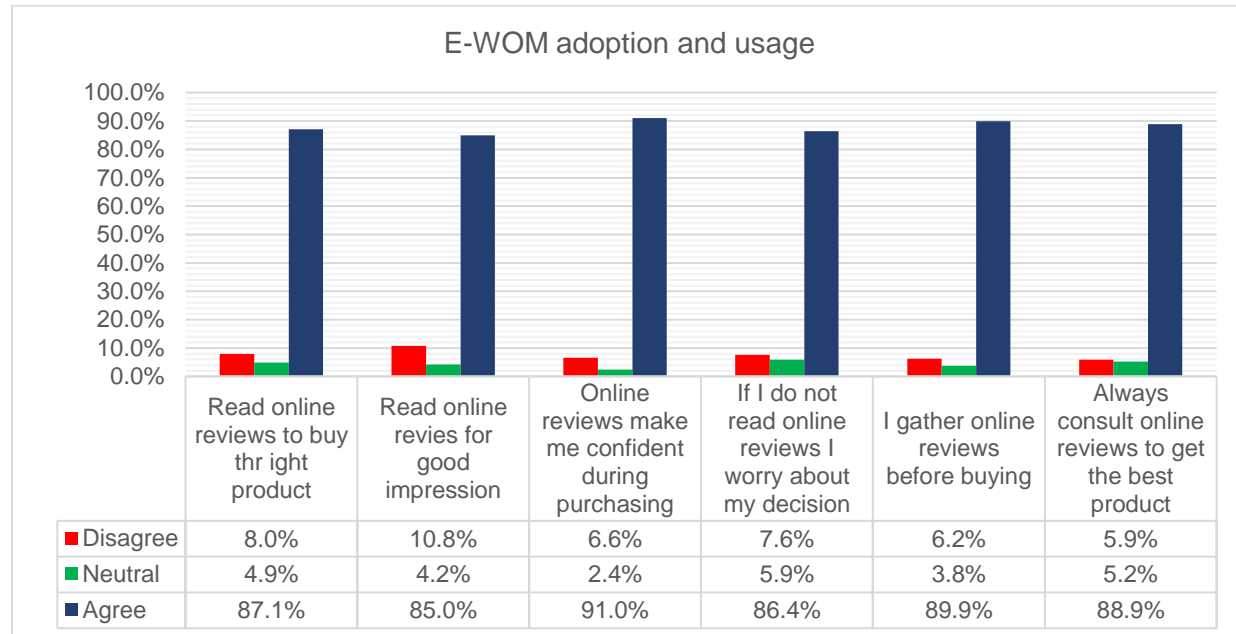


**Figure 5.11: Influence of valence on consumer buying behaviour by age**

Figure 5.11 illustrates the responses of each age group on whether valence influences their buying process. The  $p$ -values in Figure 5.11 above are all above 0.05, thus signifying that no age group had a proportion that is significantly higher than the other on each statement, suggesting that different age groups have similar buying behaviour. The results confirm that the valence of e-WOM influences consumers' buying decisions; a finding that is consistent with previous studies (e.g., Ismagilova *et al.* 2019: 13).

## 5.1 INFLUENCE OF E-WOM ADOPTION ON CONSUMER BUYING BEHAVIOUR

Figure 5.12 presents the findings of whether consumers make use of e-WOM during online buying.

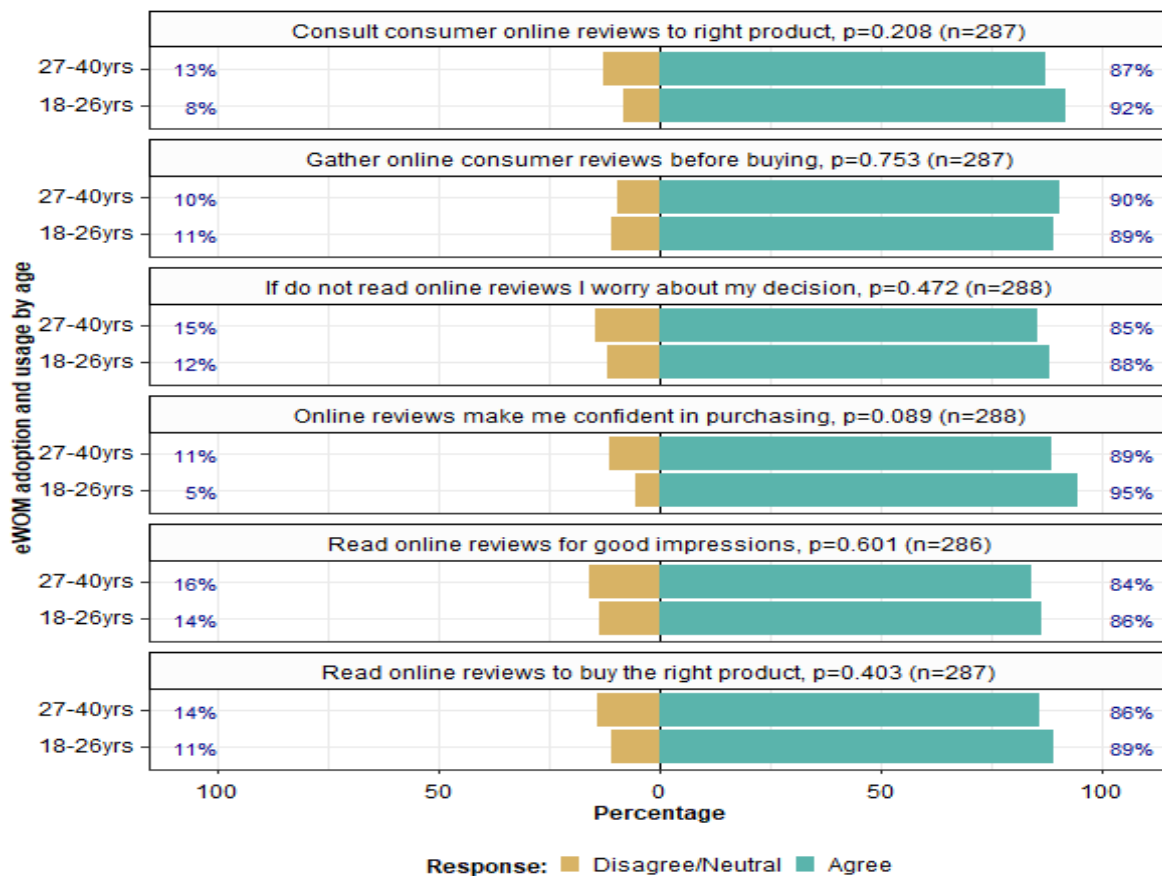


**Figure 5.12: Influence of e-WOM adoption on consumer buying behaviour**

The majority of the participants (89.9%) indicated that they do gather online reviews before making an online purchase, while only 6.2% disagreed. Further, 91% of the participants said that online reviews make them confident about their purchase. Overall, as evidenced by the findings illustrated in Figure 5.12, majority of the participants were agreeable to that they consider e-WOM during online buying.

E-WOM adoption and usage refer to how consumers adopt and eventually make use of e-WOM during the buying process. As such, in this study, it was also imperative to determine if consumers make use of e-WOM during the buying process. The findings concur with results from various studies where e-WOM is regarded as an important source of information influencing the consumer decision-making process (Ismagilova, Dwivedi, Slade and Williams 2017: 11). Previous studies have also confirmed the importance of e-WOM during buying behaviour (Filieri, Raguseo and Vitari 2018; Filieri 2015: 1268; Floyd, Freling, Alhoqail, Cho and Freling 2014: 230; Nam, Baker, Ahmad and Goo 2018: 16; Wang, Cunningham and Eastin 2015: 157; Yan, Wang and Chau 2015:

655; Erkan and Evans 2016; Kim *et al.* 2018). In this line of thinking, it is thus important that marketers take the e-WOM platform seriously, as it has shown that it influences purchase decisions. Analysis on different age groups was also performed to understand how each age group is influenced by e-WOM adoption and usage and presentation of the findings is shown below.



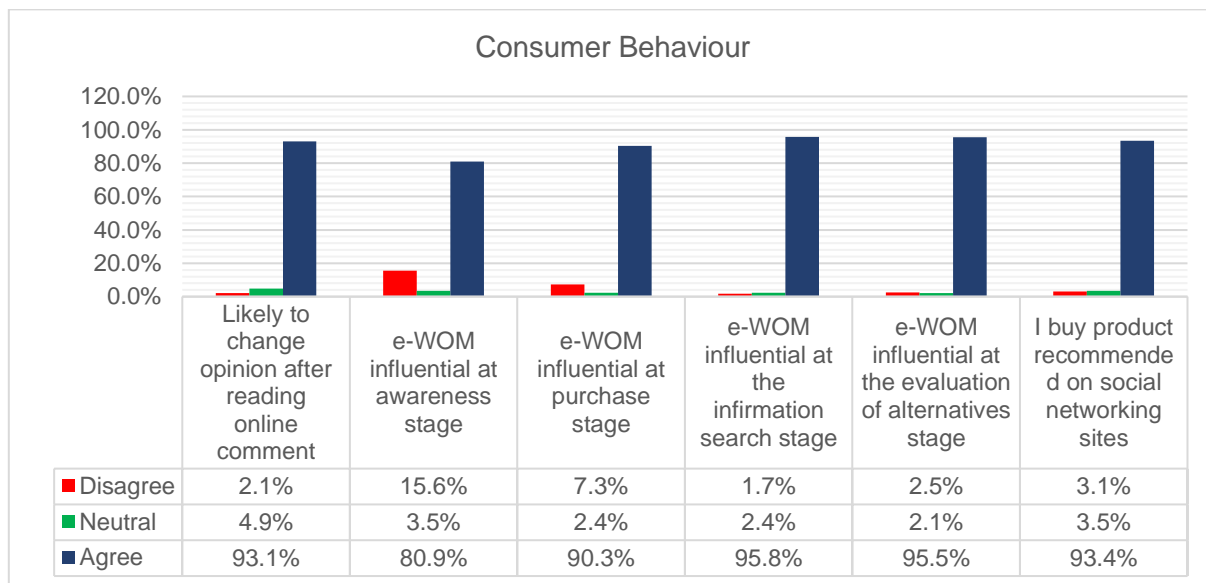
**Figure 5.13: Influence of e-WOM adoption on consumer buying behaviour by age**

The results in Figure 5.13 show that both millennials and Generation Z agree that e-WOM influences their buying process. The  $p$ -values are all above 0.05, thus signifying that no age group had a proportion that was significantly higher than the other regarding the influence of e-WOM on consumer purchase decisions. The results also concur with the findings of a study done by Hirzianto, Yuliati and Kirbrandoko (2019: 490) on the role of e-WOM in consumer-mediated purchasing, which found that millennials and Generation Z use e-WOM in the form of reviews, forums, recommendations, and referrals received through social networking sites as the basis for their purchasing decisions. The study also

concluded that e-WOM also has a greater influence on the purchase of certain product categories than others. In this respect, different age groups exhibit similar buying traits, and this asserts a need for the online retailers to ensure they keep abreast of online marketing platforms geared towards building loyalty and a consumer base.

#### 5.14 CONSUMER BUYING BEHAVIOUR

In this study, participants were asked to understand the influence of e-WOM at various consumer buying behaviour stages, and the results are as shown in Figure 5.14 below.



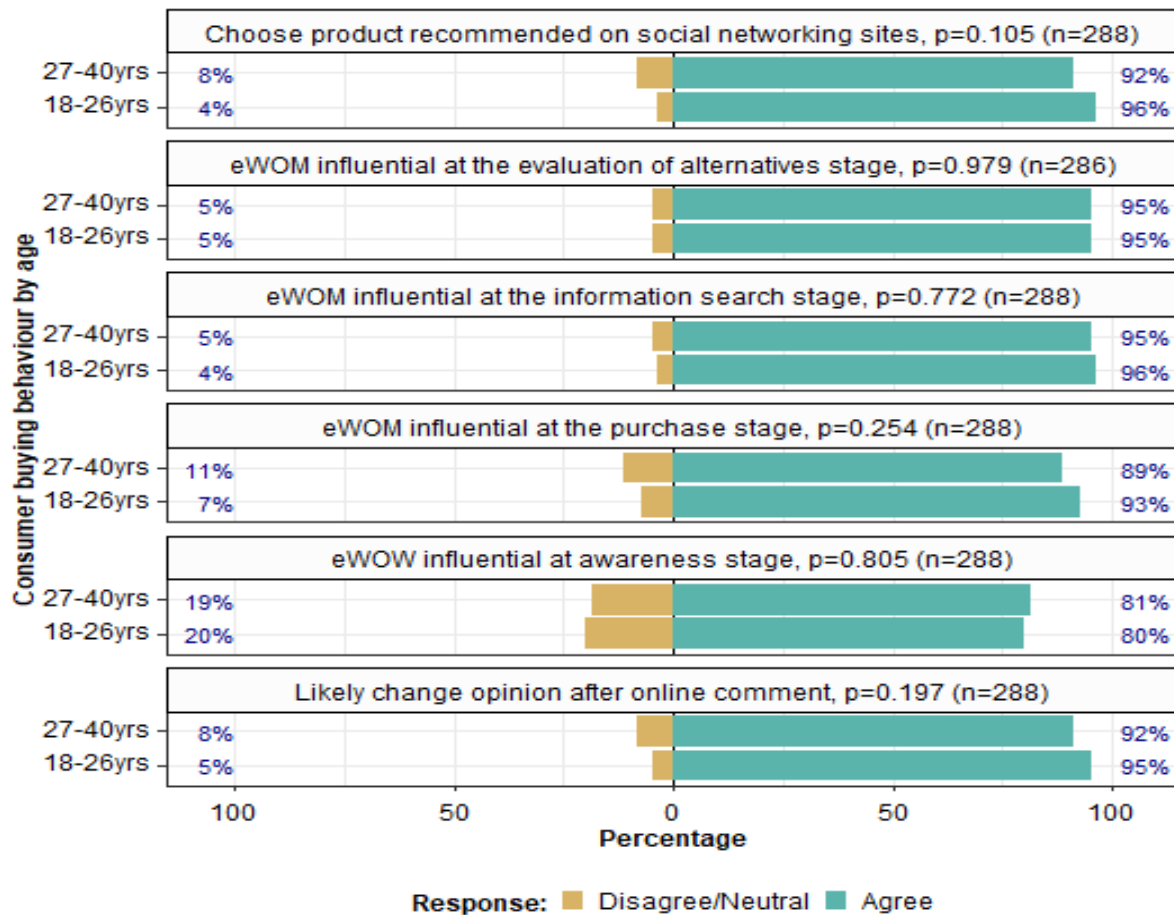
**Figure 5.14: Influence of e-WOM on consumer behaviour**

The majority of the participants (80.9%) indicated that e-WOM is influential at the awareness stage of the consumer buying process. Further, most of the participants (95.8% and 95.5%) said that e-WOM is influential at the information search and evaluation of alternatives stages respectively. Also, 90.3% agreed that e-WOM is influential at the purchase stage. Overall, majority of the participants agreed that e-WOM influences their online buying at all stages of the buying process.

The findings align with the results of Oblak, Barcic, Klaric, Kuzman and Groselj (2017: 39), who found that usually, consumers use e-WOM during the purchasing process (collecting information, evaluating alternatives, and selecting the best alternative) and even post-purchase when they post their own experience on social media. These results

could also have been influenced by the time the study was conducted, during the COVID-19 pandemic. Consumers are even buying fast-moving consumer goods (FMCG) online, which was rarely done before COVID-19, even in the clothing and apparel sector, for example, in the South African online market (Bizcommunity 2021: 1). The need for e-commerce has arose because consumers feel safe doing their shopping online in the comfort of their own homes.

Figure 5.15 below presents findings to understand if different age groups behave differently at each buying stage.



**Figure 5.15: Influence of e-WOM on consumer buying behaviour by age**

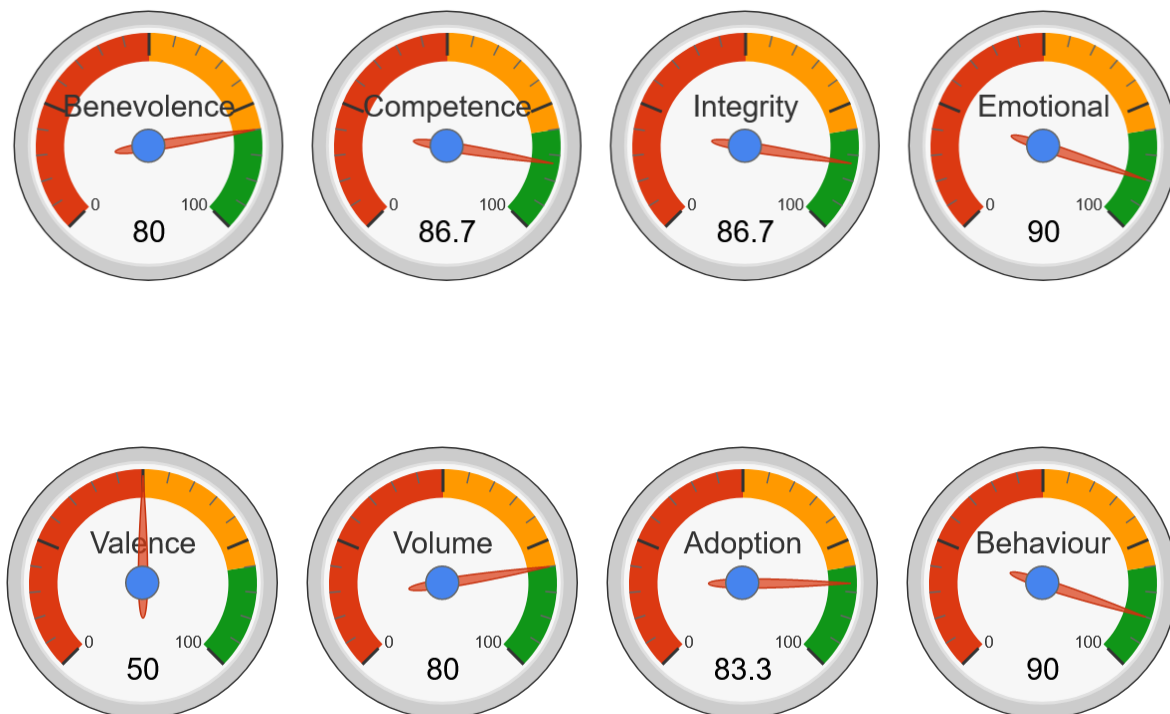
The *p-values* are above 0.05, thus signifying that no age group had a proportion that is significantly higher than the other on the influence of e-WOM on each stage of buying. It can be concluded that different age groups have the same online buying behaviour,



suggesting that different groups are both tech-savvy and always consult online reviews from other consumers before making a purchase.

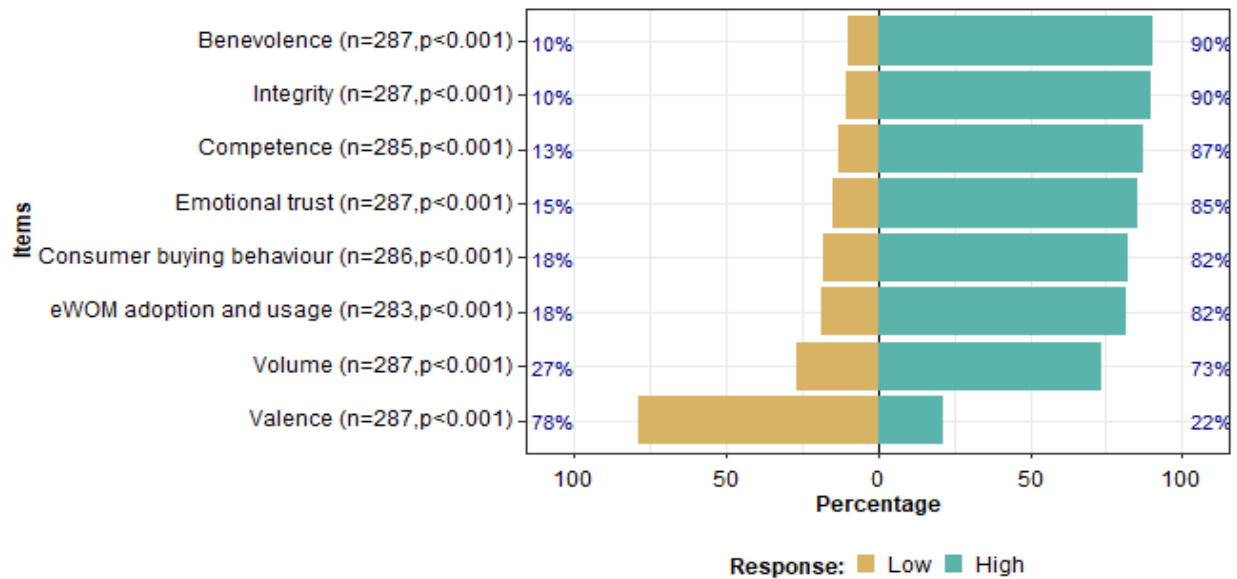
### 5.15 MEDIAN SCORES OF VARIABLES

An overall analysis was performed to provide a general analysis of the different e-WOM components and its influence on online buying consumer purchasing decisions. Any value above 80 was considered a high score, while a low score was any value below 80. A high score indicates that the majority of the participants were agreeable to the influence of each respective component on their online buying decision. Figure 5.16 illustrates the results of this analysis.



**Figure 5.16: The gauge plot of the median scores**

While all the constructs, as shown in Figure 5.16 above, had a high score, only valence had a score of 50, which is regarded as low in this context. A further explanation of the highs and lows of the constructs is given in Figure 5.17 below.



**Figure 5.17: Median values of the variables**

Findings illustrated in Figure 5.17 show that there is significantly higher proportion of consumers in the high category as compared to those in the low category. The results of having valence only with a significantly higher proportion in the low category could be attributed to the fact that the statements under valence were negatively constructed. Nevertheless, these findings assert the importance of the above e-WOM factors when consumers make their decisions during online purchases. As such, marketers should be cognisant of such drivers in their marketing activities, especially given their influence on online purchases.

## 5.16 THE ASSOCIATION BETWEEN CONSUMER BEHAVIOUR AND OTHER CONSTRUCTS

*Table 5. 6 The association between demographics, constructs and consumer buying behaviour*

Consumer buying behaviour	Low (N=51)	High (N=235)	p-value	Overall (N=286)
<b>Age</b>			Chisq., p = 0.948	
18-26yrs	20 (39.2%)	91 (38.7%)		111 (38.8%)
27-40yrs	31 (60.8%)	144 (61.3%)		175 (61.2%)
<b>Gender</b>			Chisq., p = 0.382	
Male	26 (51.0%)	104 (44.3%)		130 (45.5%)
Female	25 (49.0%)	131 (55.7%)		156 (54.5%)
<b>Occupation</b>			Chisq., p = 0.004	
Student	30 (58.8%)	184 (78.3%)	0.014	214 (74.8%)
Staff	21 (41.2%)	51 (21.7%)	0.014	72 (25.2%)
<b>Competence</b>			Chisq., p<0.001	
Low	18 (35.3%)	18 (7.8%)	<0.001	36 (12.7%)
High	33 (64.7%)	214 (92.2%)	<0.001	247 (87.3%)
<b>Benevolence</b>			Chisq., p<0.001	
Low	16 (32.0%)	22 (9.4%)	<0.001	38 (13.4%)
High	34 (68.0%)	211 (90.6%)	<0.001	245 (86.6%)
<b>Integrity</b>			Chisq., p<0.001	
Low	16 (31.4%)	13 (5.6%)	<0.001	29 (10.2%)
High	35 (68.6%)	221 (94.4%)	<0.001	256 (89.8%)
<b>Emotional trust</b>			Chisq., p<0.001	
Low	21 (41.2%)	21 (9.0%)	<0.001	42 (14.7%)

Consumer buying behaviour	Low (N=51)	High (N=235)	p-value	Overall (N=286)
High	30 (58.8%)	213 (91.0%)	<0.001	243 (85.3%)
<b>Volume</b>			Chisq., p<0.001	
Low	29 (56.9%)	48 (20.5%)	<0.001	77 (27.0%)
High	22 (43.1%)	186 (79.5%)	<0.001	208 (73.0%)
<b>Valence</b>			Chisq., p = 0.140	
Low	44 (86.3%)	180 (76.9%)		224 (78.6%)
High	7 (13.7%)	54 (23.1%)		61 (21.4%)
<b>e-WOM adoption and usage</b>			Chisq., p<0.001	
Low	25 (50.0%)	27 (11.7%)	<0.001	52 (18.5%)
High	25 (50.0%)	204 (88.3%)	<0.001	229 (81.5%)

| % and p-values based on non-missing cases |

Table 5.6 illustrates the association between demographics, constructs and consumer buying behaviour. The consumer buying behaviour was categorised into low and high scores to determine how it relates to age, gender, occupation and other constructs as illustrated in Table 5.6. The idea was to understand if those participants who scored low for any construct are also likely to score low for consumer buying behaviour or if those participants who scored high for any construct are also likely to score high for consumer buying behaviour. The comparison between low and high was done by row.

With regards to age, the 27-40 age group had 60.8% in the low category and 61.3% in the high category. Similarly, the 18-26 age group had 39.2% in the low category and 38.7% in the high category. The *p-value* of 0.948 shows that there is no significant difference between the low and high categories in both age groups. The results in this context suggest that consumer online buying behaviour is similar for all age groups. This is despite the fact that cognitive abilities, such as processing speed, working memory, inhibition, episode memory, word fluency, spatial orientation, and reasoning decline

linearly with increasing age, which may therefore affect the decision-making of older adults.

Regarding gender, a *p-value* of 0.382 shows that the proportions of males and females were not significantly different, which means a high or low score on consumer buying behaviour is not associated with gender, suggesting that being female or male does not have an influence on online buying decisions. This is despite the fact that women are regarded as comprehensive information processors, whereas men are selective (Lin et al. 2019: 23), and as such, one would expect gender to be a driver towards online buying decisions.

With regards to occupation, there was a significantly high proportion of staff in the low, and there was a significantly high association of students in the high, as proven by a *p-value* of 0.004. This basically means that high or low consumer buying behaviour is associated with occupation. The results suggest that nature of one's occupation influences an online purchase process, which could be attributed to the need to have resources when one goes through the online buying process. These resources include time and money.

Regarding valence, proportions in the low category were not significantly different from those in the high category. This is statistically supported by a *p-value* of 0.140. So, it means that consumers who scored low in valence had an equal chance of scoring high or low in consumer buying behaviour, thus asserting the influence of valence on consumer buying behaviour, which is an important dimension for marketers when they continuously develop and maintain their online marketing platforms.

When it comes to competence, benevolence, integrity, volume, emotional trust, and e-WOM adoption and usage, there is a significantly high proportion in both the low and the high of consumer buying behaviour. This is also supported statistically by a *p-value* that is less than 0.05 on all the dimensions. Those participants who scored high in each of the above constructs were likely to score high as well in consumer buying behaviour. These results further assert the influence of these drivers on consumer buying behaviour, which

is an important consideration for marketers when they continuously develop and maintain their online marketing platforms.

The above table only predicted behaviour of variables as an individual, the following table assesses the behaviour of each variable in the presence of other variables.

### 5.17 REGRESSION ANALYSIS

A regression analysis was conducted to predict the likelihood of consumer buying behaviour based on the demographic and the main constructs. The findings of this analysis are shown in Table 5.7 below.

**Table 5. 7 Predicting the likelihood of the consumer buying behaviour**

Explanatory	OR(CI,p-value)Unadjusted	OR(CI,p-value)Adjusted	OR(CI,p-value)Stepwise
Age27-40yrs	0.92 (0.42-1.95, p=0.825)	0.76 (0.21-2.61, p=0.659)	-
Gender - Female	1.27 (0.60-2.68, p=0.531)	1.22 (0.35-4.12, p=0.749)	-
Occupation - Staff	0.35 (0.16-0.76, p=0.007)	0.43 (0.15-1.23, p=0.111)	0.46 (0.17-1.26, p=0.125)
Competence - High	8.20 (3.35-20.04, p<0.001)	2.27 (0.38-12.72, p=0.361)	-
Benevolence - High	5.54 (2.28-13.15, p<0.001)	0.31 (0.03-1.99, p=0.259)	-
Integrity - High	14.37 (5.62-38.12, p<0.001)	5.52 (0.79-47.10, p=0.096)	3.76 (0.78-19.09, p=0.103)
Emotional trust - High	11.22 (4.85-26.51, p<0.001)	3.12 (0.71-12.42, p=0.114)	3.75 (0.96-13.57, p=0.048)
Volume - High	9.67 (4.32-23.39, p<0.001)	5.29 (2.02-14.66, p=0.001)	5.54 (2.16-15.01, p<0.001)
Valence - High	2.70 (0.91-11.60, p=0.114)	1.67 (0.38-10.55, p=0.535)	-
EWOM - adoption and usage High	11.01 (4.89-25.51, p<0.001)	5.59 (1.97-15.89, p=0.001)	5.11 (1.86-13.94, p=0.001)

Table 5.7 presents the prediction of the likelihood of consumer behaviour being high in the presence of different variables. The second column shows the unadjusted value, i.e., looking at how one variable alone predicts consumer behaviour without factoring in others into play. The third column shows fully adjusted values, namely, how one variable performs in the presence of other variables. The last column shows only the most important variables. Variables marked with a dash (-) are wiped variables that were found not important.

The findings in Table 5.7 show that age and gender were not found to be important in predicting the likelihood of consumer buying behaviour in the presence of other variables; hence, they were deleted, as shown by the dash (-) in the last column. Competence and

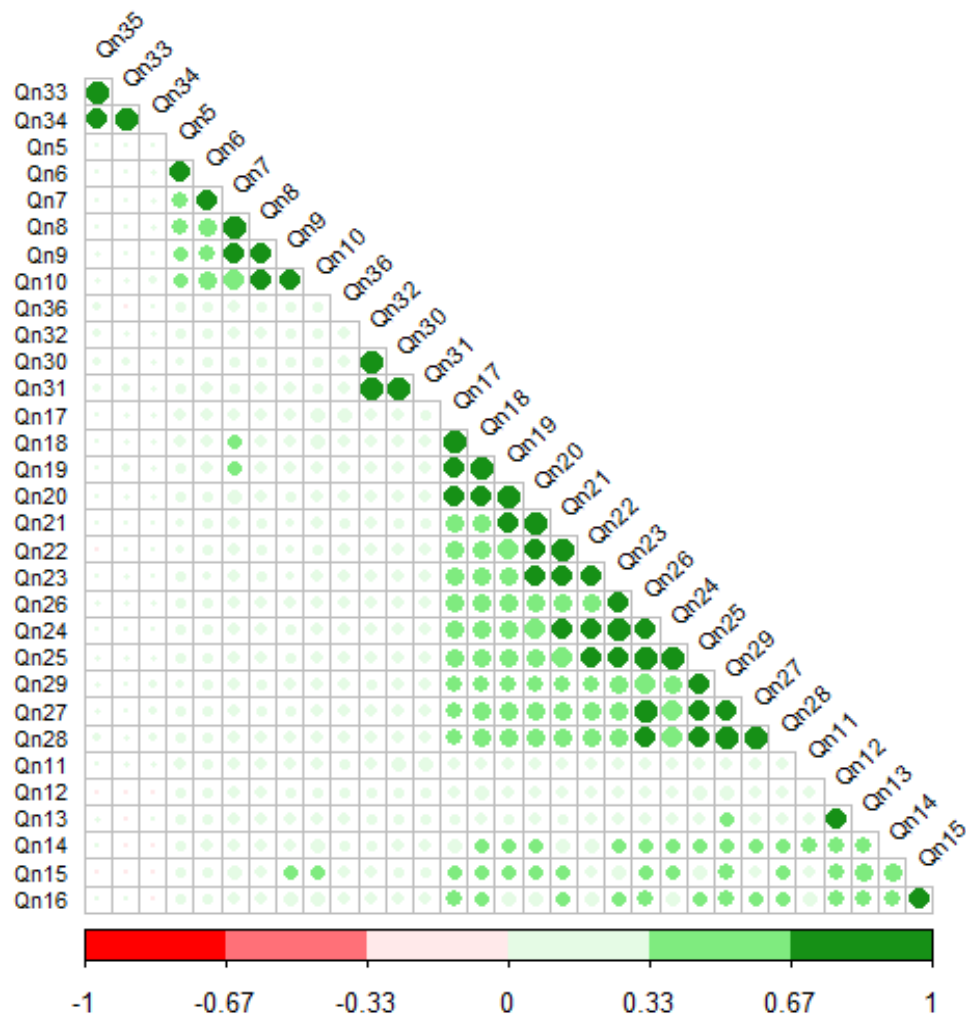
benevolence also were found to influence consumer behaviour without factoring in other constructs, as shown by a p-value less than 0.001. However, in the presence of other variables, competence and benevolence were found to have no effect on consumer behaviour as shown by a p-value of 0.361 and 0.259, respectively. Thus, they were removed. Participants who had a high score in emotional trust were four times more likely to have a high score on consumer buying behaviour, while participants with a high score in volume were five times more likely to have a high score on consumer buying behaviour.

The following factors were not removed from the model, which means they were found to be very important: occupation - staff, integrity - high, emotional trust - high, volume - high and e-WOM adoption and usage - high. Occupation - staff, integrity - high and emotional trust - high did not have a significant effect, as proven by a p-value above 0.05, but they remained in the model to increase the accuracy of the prediction of consumer buying behaviour.

Although the above analysis has shown important factors likely to predict consumer buying behaviour, it fails to bring all variables together to see how they are related. Like in this case, the regression only considered participants who scored high and ignored those who had low scores. Under valence, those who scored low are the ones who performed better because the statements were negatively formulated, but such participants were left out of the analysis. Because of that, the researcher will present SEM findings later in the chapter.

## 5.18 CORRELATION OF STATEMENTS

Figure 5.18 presents an evaluation of how statements are correlated at statement level.



Qn5=Read online reviews for good impressions  
 Qn7=Consult consumer online reviews to right product  
 Qn9=Do not read online reviews as I worry about my decision  
 Qn11=eWOM influential at awareness stage  
 Qn13=e-WOM influential at the evaluation of alternatives stage  
 Qn15=Choose product recommended on social networking sites  
 Qn17=When buying online consider competent online retailer  
 Qn19=Online retailer proficiency important  
 Qn21=Consider online retailer doing best to help me  
 Qn23=Consider online retailer truthfulness  
 Qn25=Consider committed online retailer  
 Qn27=Feel content relying on e-WOM on online media  
 Qn29=e-WOM on online interactive media reliable  
 Qn31=Influenced by number of reactions  
 Qn33=Use product with more negative reviews than positive  
 Qn35=Treat product negative reviews as minor company mistake

Qn6=Read online reviews to buy the right product  
 Qn8=Gather online consumer reviews before buying  
 Qn10=Online reviews make me confident in purchasing  
 Qn12=e-WOM influential at the information search stage  
 Qn14=e-WOM influential at the purchase stage  
 Qn16=Likely change opinion after online comment  
 Qn18=Consider online retailer offering high quality services  
 Qn20=Consider online retailer acting in my best interest  
 Qn22=Consider online retailer concerned about my well being  
 Qn24=Consider online retailers I characterise as genuine  
 Qn26=Feel comfortable on e-WOM on online media  
 Qn28=Feel secure relying on e-WOM  
 Qn30=Influenced by number of likes and followers  
 Qn32=Influenced by number of reviews on retailer page  
 Qn34=If I do not buy products or services with 3 stars or less  
 Qn36=Buy the very product if it has positive reviews

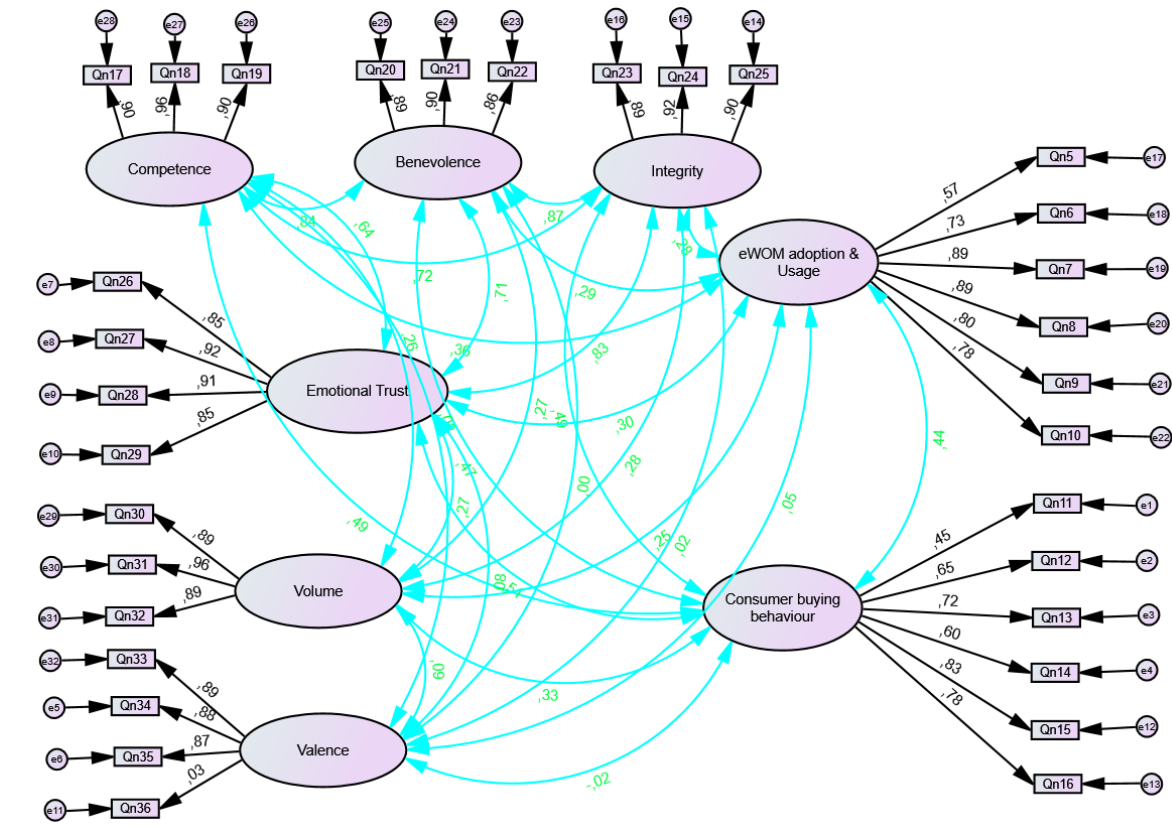
**Figure 5.18: The correlation plot of the indicator items**



The dark green circles represent statements that are strongly correlated (0.67 to 1, while the light green circles show statements that are moderately correlated (0.33-0.66) and the very light green circles show that statements are not correlated (0-0.32). If there were negatively correlated statements, they would have been represented by red circles. A total of 44 statements were found to be strongly correlated. Most of the statements that are strongly correlated are statements from the same variable. For example, all statements about competence are strongly correlated. This is the correlation between individual items before the constructs and the statistical output is usually voluminous. The p-value table of about 495 rows is attached in the annexure 7.

## 5.19 CORRELATION OF THE CONSTRUCTS

The study measured the relationship between constructs and the findings are presented in Figure 5.19 below.



Qn5=Read online reviews for good impressions  
 Qn7=Consult consumer online reviews to right product  
 Qn9=If I do not read online reviews as I worry about my decision  
 Qn11=eWOM influential at awareness stage  
 Qn13=e-WOM influential at the evaluation of alternatives stage  
 Qn15=Choose product recommended on social networking sites  
 Qn17=When buying online consider competent online retailer  
 Qn19=Online retailer proficiency important  
 Qn21=Consider online retailer doing best to help me  
 Qn23=Consider online retailer truthfulness  
 Qn25=Consider committed online retailer  
 Qn27=Feel content relying on e-WOM on online media  
 Qn29=e-WOM on online interactive media reliable  
 Qn31=Influenced by number of reactions  
 Qn33=Use product with more negative reviews than positive  
 Qn35=Treat product negative reviews as minor company mistake

Qn6=Read online reviews to buy the right product  
 Qn8=Gather online consumer reviews before buying  
 Qn10=Online reviews make me confident in purchasing  
 Qn12=e-WOM influential at the information search stage  
 Qn14=e-WOM influential at the purchase stage  
 Qn16=Likely change opinion after online comment  
 Qn18=Consider online retailer offering high quality services  
 Qn20=Consider online retailer acting in my best interest  
 Qn22=Consider online retailer concerned about my well being  
 Qn24=Consider online retailers I characterise as genuine  
 Qn26=Feel comfortable on e-WOM on online media  
 Qn28=Feel secure relying on e-WOM  
 Qn30=Influenced by number of likes and followers  
 Qn32=Influenced by number of reviews on retailer page  
 Qn34=If I do not buy products or services with 3 stars or less  
 Qn36=Buy the very product if it has positive reviews

**Figure 5.19: The correlation of the constructs**

The findings in Figure 5.19 are divided into two sections: intercorrelations between constructs and influencing effects based on the research assumptions. The small rectangles reflect the observed variables, which are essentially the questions in the data

gathering tools, in order to better comprehend the frameworks. The constructs or latent (unobserved) variables are represented by the oval shapes. These will serve as the headings for the questionnaire. In other words, the underlying factors are the latent variables, whereas the indicator variables are the rectangles. The latent variables are derived from the indicators, and the arrows show how each of the indicators contributes to the loadings represented by  $\lambda$ . The more dominant the indicator is, the higher the loading, which ranges from 0 to 1.

Figure 5.19 shows correlation analysis at the statement level, not the construct level. Nearly all the indicators in the framework confirmed fairly high loadings of at least 0.6 or more. Thus, almost all the indicators are explained or are influential on the variables in the framework. Nonetheless, from all the statements asked, Figure 5.19 shows that only three questions did not describe the variables they were supposed to explain. These questions had loadings below 0.6. Question 5 (Read online reviews for good impressions) under e-WOM adoption and usage with a loading of  $\lambda = 0.57$  did not contribute much to that e-WOM adoption and usage. Most of the statements had correlation values of  $\lambda = 0.73, 0.89, 0.89, 0.80$  and  $0.78$ . The values are above 0.6; therefore, it can be concluded that the statements are explaining the construct. There were four statements under valence with the values of  $\lambda = 0.89, 0.88, 0.87$  and  $0.03$ . The last statement (Qn36) with  $\lambda = 0.03$  did not contribute to valence because the value is too low. Finally, under consumer behaviour, statement (Qn11) (e-WOM influential at the awareness stage) had a value of  $\lambda = 0.45$ ; thus, it can be concluded that that statement did not contribute much to the construct. It can be concluded that most of the statements explained the variables they were supposed to explain.

## **5.20 CORRELATION ESTIMATES**

The key to the letters used in the correlation estimates is as follows;

A = Competence

B = Benevolence

C = Integrity

E = Emotional Trust

G = Volume

H = Valence

I = e-WOM adoption & Usage

K = Consumer buying behaviour

A presentation of correlation estimates is done in Table 5.8 below.

**Table 5. 8 Correlation estimates**

Correlation			Estimate
K	<-->	I	,442
K	<-->	C	,487
K	<-->	B	,472
K	<-->	A	,486
E	<-->	K	,509
K	<-->	G	,328
K	<-->	H	-,019
C	<-->	I	,280
I	<-->	B	,290
I	<-->	A	,357
E	<-->	I	,296
I	<-->	G	,250
I	<-->	H	,051
<b>C</b>	<b>&lt;--&gt;</b>	<b>B</b>	<b>,866</b>
<b>C</b>	<b>&lt;--&gt;</b>	<b>A</b>	<b>,721</b>
<b>E</b>	<b>&lt;--&gt;</b>	<b>C</b>	<b>,827</b>
C	<-->	G	,281
C	<-->	H	,023
<b>B</b>	<b>&lt;--&gt;</b>	<b>A</b>	<b>,840</b>
<b>E</b>	<b>&lt;--&gt;</b>	<b>B</b>	<b>,710</b>
B	<-->	G	,269
B	<-->	H	,002
E	<-->	A	,642
A	<-->	G	,264
A	<-->	H	,034
E	<-->	G	,269
E	<-->	H	,080
H	<-->	G	,087

A correlation above 0.70 is regarded as very strong.

From the eight investigated constructs, a strong positive correlation ( $r = 0.87$ ) was observed between benevolence and integrity. That is, the higher the score on benevolence, the score on the integrity and vice versa. Nonetheless, it is vital to note that correlation does not suggest causation. That is, one construct may not necessarily have a predictive influence on the other, or a cause and effect relationship may not be deduced from their relationship. Other constructs found to have a positive strong correlation are:

C (Integrity) and A (Competence)  $r = 0.721$

E (Emotional trust) and C (Integrity)  $r = 0.827$

B (Benevolence) and A (Competence)  $r = 0.840$

E (Emotional trust) and B (Benevolence)  $r = 0.71$

According to the data at hand, benevolence was found to have no correlation (no link) ( $r = 0.00$ ) with valence. In other words, the relationship revealed a lack of similar behavioural traits in the consumers' purchasing decisions. It is also worth mentioning that there was almost no link between integrity and valence ( $r = 0.02$ ).

## 5.21 MODEL FIT SUMMARY OF STRUCTURAL EQUATION MODEL

An assessment of how far a hypothesised model is from a perfect model was done and the findings are presented below in Table 5.9 below.

*Table 5. 9 Model fit summary of Structural Equation Model*

Parameter	Value	Suggested value
Comparative fit index (CFI)	0.785	>0.90 (Daire et al. 2008)
Root mean square error of approximation (RMSEA)	0.114	<0.08 (Hair et al. 2006)

Table 5.12 presents the most important summary measures of model fit and the root mean square error of approximation (RMSEA) value of 0.114 in this sample implies a good fit. The CFI value is just below 0.9, which shows a relatively good fit. The model fit summary shows that the values were very close to the acceptable levels, giving enough confidence to explain the relationship between the variables in the dataset.

Nonetheless, Peugh and Feldon (2020: 64) indicated that interpretation of estimates of model fit is a tricky process. The traditional inferential test of model fit, the chi-square test, is subjective because of the sample size. Fit indices only provide non-inferential values of model fit (e.g., root-mean-square error of approximation and comparative fit index), but are incapable of providing a definitive “unacceptable” or “acceptable” fit determination.

## 5.22 CONSTRUCT VALIDITY

An analysis on how an item performs in relationship to other variables was done and findings are presented in Table 5.10 below.

**Table 5. 10 Construct Validity**

	A	B	C	E	G	H	I	K
A								
B	0,84							
C	0,721	0,866						
E	0,642	0,71	0,827					
G	0,264	0,269	0,281	0,269				
H	0,034	0,002	0,023	0,08	0,087			
I	0,357	0,29	0,28	0,296	0,25	0,051		
K	0,486	0,472	0,487	0,509	0,328	0,019	0,442	
CR	0,9432	0,9143	0,9302	0,934	0,9382	0,8097	0,9039	0,8354
Ave Convergence	0,8472	0,7806	0,8162	0,7799	0,8353	0,5811	0,6151	0,4668
Discriminatory	0,920435	0,883516	0,903438	0,883119	0,913947	0,762299	0,784283	0,683228

Table 5.10 illustrates assessment of the model fit. The researcher selected certain variables (indicators) to represent a construct (A, B, C, E, G, H, I, K), and Table 5.10 above assesses how good was that process. The key to the letters is as follows;

A = Competence

B = Benevolence

C = Integrity

E = Emotional Trust

G = Volume

H = Valence

I = e-WOM adoption & Usage

K = Consumer buying behaviour

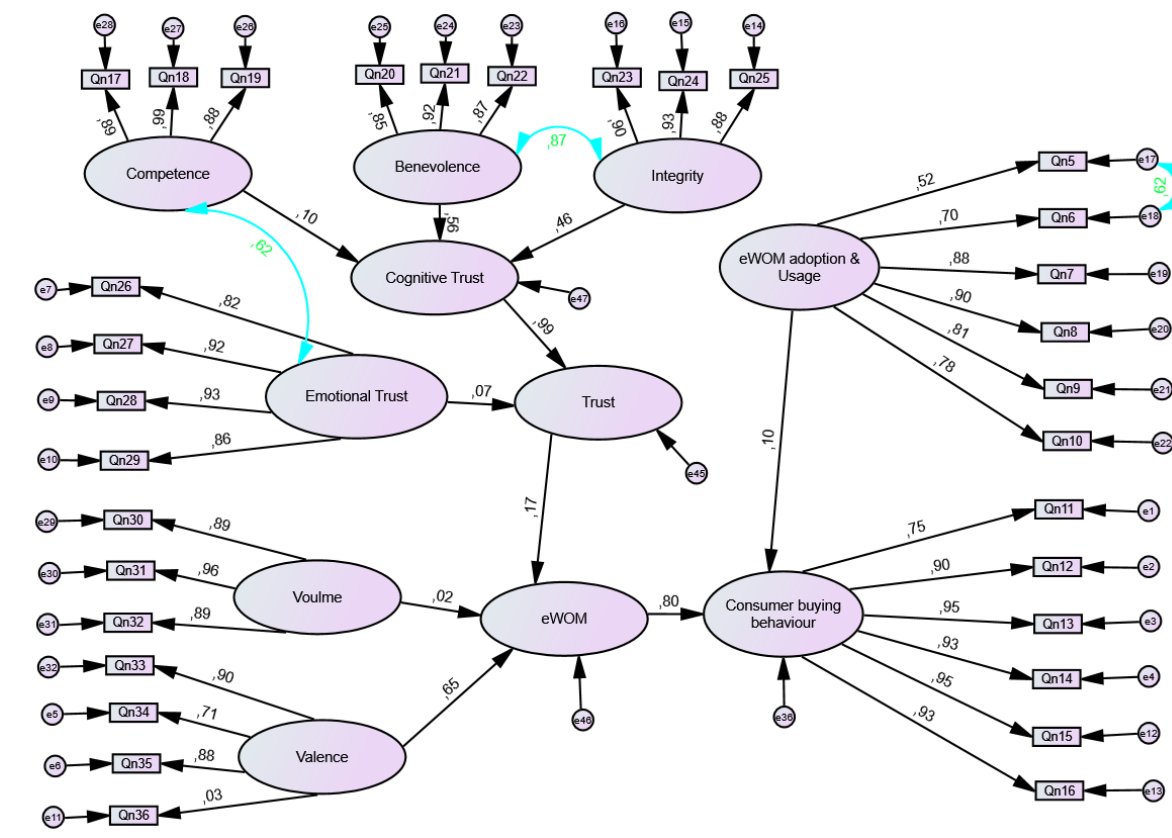
The study seeks to ascertain if the groups of the indicators were not overlapping. The idea is for the indicators not to overlap because they must explain all that is happening in the construct that they are assigned to. From Table 5.10, it can be concluded that there is discriminant validity, which means there is no overlap that is distinct, each value in the discriminatory row is higher than any of the greens in that particular column.

It was also ideal to find out if the indicators in each construct were close to each other, as expected. It was found that there was no overlapping with the other groups (latents), and the performance of the indicators was assessed in their respective groups (construct). Ideally, items in one group must show that they are close to each other (convergent). If  $AVE > 0.5$  it means convergent validity exists. All average convergent values from Table 5.13 are above 0.5, which means that convergent validity exists. It basically means that the indicators for a particular latent are close to each other, as expected. Measures that should be related (grouped together) are, in reality, related. Basically, it demonstrates the overall correlation between the items in a particular construct, with values  $>0.5$  being acceptable. Only one latent variable, namely, consumer buying behaviour had a value of 0.46, which is slightly below 0.5.

The consistency of these indicators within each construct was also measured. That is, if the indicators are close to each other, how reliable are they at doing so consistently? Composite reliability (CR)  $> 0.7$  is a generally acceptable value that shows good reliability demonstrated by the items allocated to a particular construct. Values closer to 1.0 are excellent. From Table 5.13, it can be concluded that all indicators are reliable as all are above the acceptable value of 0.7. The model has been critically analysed and its suitability is beyond reasonable doubt.

## 5.23 STRUCTURAL MODELLING EQUATION (SEM)

Figure 5.20 presents the structural modelling equation (SEM). The researcher presented a proposed framework in Chapter 1 and this framework now tests the hypothesised framework.



**Figure 5.20: Structural Modelling Equation (SEM)**

According to the framework, competence, benevolence and integrity are supposed to influence cognitive trust. Results on the figure shows that benevolence had the greatest influence with the highest regression weight of  $\lambda = 0.56$ . Competence had a regression weight of  $\lambda = 0.1$ , indicating that it has very low influence on cognitive trust. From the results, the following conclusion can be made on the three hypotheses:

The hypothesis: *There is a significant relationship between benevolence and cognitive trust* is not rejected.



The hypothesis: *There is a significant relationship between competence and cognitive trust* is rejected.

The hypothesis: *There is a significant relationship between integrity and cognitive trust* is rejected.

Yu et al. (2015: 46), applied the trust model to Internet banking. Using a survey of Internet banking users in Malaysia, they proposed that trusting beliefs of competence, benevolence, integrity, and shared values would influence trustworthiness and trust. They found competence, integrity, and shared values to be influences. Further, Wang and Benbasat (2007: 219) indicate that competence, benevolence and integrity affect emotional trust positively, according to the belief-attitude-intention system. Nonetheless, the findings of the study indicate that only benevolence has a significant relationship with cognitive trust; thus, the findings do not align with the results of previous studies.

Further, the framework assumes that cognitive trust and emotional trust influence trust. The results show that cognitive trust has the greatest influence on trust, with a regression weight of  $\lambda = 0.99$  while emotional trust has  $\lambda = 0.07$ . Emotional trust is very weak; hence, it does not influence trust. From the results, the following conclusion on the two hypotheses can be made:

The hypothesis: *There is a significant relationship between cognitive trust and trust* is not rejected.

The hypothesis: *There is a significant relationship between emotional trust and trust* is rejected.

The findings concur with the literature of Virgilio and Antonella (2017: 65), who indicated that cognitive trust is the consumer's confidence in the capacity and consistency of an exchange partner and their ability to rely on it.

The proposed framework also indicated that trust, volume and valence are e-WOM factors influencing consumer behaviour. The results show that out of these three, valence is the most influential factor. It has the highest regression weight of  $\lambda = 0.65$ . Trust and

volume are very weak, with a regression weight of  $\lambda = 0.17$  and  $\lambda = 0.02$  respectively. From the results, the following conclusion on the three hypotheses can be made:

The following hypothesis is rejected: *There is a significant relationship between trust and e-WOM.*

The results do not concur with findings from previous studies (e.g., Furner et.al, 2022: 79; Hammouri 2021: 4522; Hsu, Lin and Chiang 2013: 5; Huang, Shao and Wang 2013: 1; Ladhari and Michaud 2015: 36; Saleem and Ellahi 2017: 597; Xiaoping and Jiaqi 2012: 2) have shown a correlation between message, trust and purchasing behaviour. For instance, an empirical study conducted by Ho and Chien (2010: 1) with participants from Taiwan found that trust in messages affects intention to purchase positively. Further, findings by Bilal et.al (2021: 10) show that trust is additionally important when attempting to use fashion products. Consumers with a strong concern for fashion follow information from other consumers who have trust.

Also, Leonard and Jones (2019) replicated a study of trust in consumer-to-consumer e-commerce (C2C) performed over a decade prior, and discovered that in the early days of C2C e-commerce, a lack of consumer perceptions of institutional assurances led to several impediments to purchase intention. First, the authors discovered that in the early days of C2C e-commerce, natural propensity to trust was insufficient to foster trusting beliefs; however, 10 years later, they were able to support this relationship, a finding they attribute to consumers developing more experience-based confidence and stronger perceptions of institutional assurances.

This could also be a contextual case as the majority of the findings in this study provide evidence of significant relationship. Furthermore, the differences in results could be caused by different analytical approaches in the studies conducted, differences in data sources, the modelling process, and factor measurements. Some factors can moderate the effect of e-WOM valence. Among these variables, an important moderator for the e-WOM effect could be the COVID-19 pandemic.

The hypothesis: *There is a significant relationship between volume and e-WOM* is rejected

The findings align with the study of Flanagin, Metzger, Markov and Hartsell (2014: 21), who found this relationship to be non-significant. Further, a weight-analysis study conducted by Ismaglovia (2019: 9) indicated that volume was non-significant. However, previous studies (e.g., Kim, Cheong, and Kim 2017: 229; He and Bond 2015: 1525) showed that the number of e-WOM communications had a positive impact on the intention to purchase. Differences in results may be due to other factors, that include the context in which the study was conducted.

The hypothesis: *There is a significant relationship between valence and e-WOM* is not rejected.

The findings concur with the study by Duan, Gu, and Whinston (2008: 240); the results show that e-WOM valence affects e-WOM frequency, which in turn results in higher box office ticket sales. Satisfaction brings positive virality; disappointment generates negative virality, which in turn can decrease repurchase intentions (Song, Sheinin, and Yoon 2017: 1406). Some studies relating to the influence of valence on the intention to buy (e.g., Ladhari and Michaud 2015: 36; Mauri and Minazzi 2013: 55) found its influence to be significant in terms of the impact of valence on the intent to buy. In a study conducted by Ismagilova *et al.* (2019: 13), the results showed that valence of e-WOM influences consumers' buying decision.

According to the framework, e-WOM influences consumer buying behaviour and this is statistically supported by a regression weight of  $\lambda = 0.80$ , which is very strong and positive. From the results, the following conclusion on the hypotheses can be made;

The hypothesis: *There is a significant relationship between e-WOM and consumer buying behaviour* is not rejected.

Previous studies have also confirmed a positive relationship between e-WOM and buying behaviour (Filieri, Raguseo and Vitari 2018; Filieri 2015: 1268; Floyd, Freling, Alhoqail, Cho and Freling 2014: 230; Nam, Baker, Ahmad and Goo 2018: 16; Wang, Cunningham

and Eastin 2015: 157; Yan, Wang and Chau 2015: 655; Erkan and Evans 2016; Kim *et al.* 2018). Further, Ismagilova, Dwivedi, Slade and Williams 2017: 11) added that e-WOM is regarded as an important source of information influencing the consumer decision-making process

According to a study conducted by Pinja Karjala (2021: 8), e-WOM has a significant influence on consumer purchase decisions, and the COVID-19 pandemic has highlighted the importance of e-WOM as an information source during online buying.

## **5.24 CONCLUSION**

A reliability test was done, and the results show that reliability scores for all sections approximate or exceed the recommended Cronbach's alpha value, thus, indicating the degree of acceptability. Participants indicated that they use e-WOM on all three stages of the buying process: awareness stage, information search and purchase stage. The results also reveal that Generation Z and millennials behave similarly during the buying process. SEM analysis indicated that valence is the most influential e-WOM factor in consumer buying behaviour.

Overall, the results of the study either concurred with other studies or contrasted with the results of other studies. The results, thus, present an insight to marketers that they should understand their consumer base, and the e-WOM factors that influence their buying behaviour, and the different contexts those consumers are in. In summary, e-WOM must be viewed as the most valuable tool in today's marketing; thus, a detailed analysis of its elements and the influence of those elements on consumers' buying behaviour is necessary.

The following chapter will present the major conclusions and recommendations of the study based on the presentation and discussion of the results above.

## **CHAPTER 6**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **6.1 INTRODUCTION**

The previous chapter presented the findings of this study. The study mainly employed descriptive statistics, regression analysis and structural equation modelling, which assessed the relationship between observed and latent variables. In this regard, the conclusions are drawn based on the reviewed studies and the analysed data, which provide answers to the research objectives that are stated in Chapter One. Thereafter, recommendations that can assist in planning and decision-making for marketers are outlined. Finally, the study proposes areas for further research emanating from this study, and for which the study has not been able to address.

The aim of this study was to investigate the influence of electronic word of mouth (e-WOM) on the online consumer buying behaviour process. The objectives of the study were to:

- Establish what e-WOM is and discuss its relationship with the consumers' buying behaviour process.
- Establish the influence of e-WOM on the consumers' buying behaviour process.
- Determine the factors of e-WOM that influences the consumers' buying decision-making process.
- Propose a framework that explains the influence of e-WOM and establish an e-WOM strategy towards influencing on-line consumer buying behaviour.

#### **6.2 SUMMARY OF THE THEORETICAL STUDY**

Chapters Two and Three presented a review of scholarly literature as related to the study, especially with regards to discussing how e-WOM has evolved over time, and how it has influenced online buying decisions.

Generally, consumer behaviour has changed dramatically because of advances in information technology and the adoption of new communication methods. As such, companies' marketing strategies and business administration have changed and will

continue to change because of these advances. Companies are now shifting their attention from traditional advertising (mass media ads) to digital media campaigns. At the heart of these advances is global internet connectivity, which continues to expand at a pace that has never been seen before. As a result, this trend is expected to accelerate in terms of the internet and related technology use and development across all product and service categories.

The internet is now be used as a strategic medium for both personal and business purposes, and more particularly in online marketing platforms because of its widespread use. Its use has become ingrained in the lives of people of all ages, and as a result, its influence has spread far and wide across industries and markets. It is thus a strategic tool for companies in the planning and execution of activities and procedures that improve one firm's competitiveness against others. For those businesses, it serves as a source of information as well as a platform for consumer engagement and retention, and thus an integral component of e-WOM online media platforms.

Despite the popularity of online interactive media, the proliferation of online presence among companies, which remained largely unregulated, caused consumers to have doubts about the content of online advertising due to a lack of confidence, poor content, and invasion of personal privacy, among other factors. Most of these companies offer a generic online advertising experience rather than a personalised one, resulting in low consumer engagement and retention. While advertisers try to entice consumers' emotions and feelings towards brands through digital ads, the results are often unsustainable and futile, resulting in a lack of consumer trust in digital marketing. As a result, consumers nowadays rely more on earned campaigns in the form of e-WOM than traditional advertisement.

In response to the emerging landscape above, businesses are putting efforts towards unlocking the potential of various online media technologies to connect directly with consumers, thereby influencing their decision-making process. These technologies include online broadcast media (OBM) and online interactive media (OIM). These phenomena are thought to have accelerated and broadened the spread of information,

have a significant impact on marketers, and influence consumer's decision-making process, either positively or negatively (Huete-Alcocer 2017: 1). The OIM comprises microblogs, blogs, and social network services (SNS). With regards to OBM, the advertiser speaks, and consumers listen, while with OIM, both the advertiser and consumers speak, listen and respond. This has led to the birth of a concept known as e-WOM, which is the focus of the current study.

### **6.3 SUMMARY OF THE EMPIRICAL STUDY**

The major findings of the study are presented in alignment with the research objectives that the study sought to answer. Below is the presentation of the major findings.

#### **6.3.1 Summary of the findings**

The study found that age groups exhibit similar online buying behaviours irrespective of age. The majority of the participants indicated that before they buy anything online, they always make use of e-WOM as this instils a sense of confidence in their online purchases. In general, the study found out that e-WOM is used in all three stages of the buying process, namely the awareness stage, the information search stage and the purchase stage, which further asserts the influence of e-WOM on online consumer buying behaviour.

The e-WOM factors-- trust, volume and valence-- were evaluated to determine the extent to which they influence online consumers' buying processes. The results show that when compared to others, out of these three, valence is the most influential factor of e-WOM based on the respective highest regression weight. On the other hand, trust and volume were found to be very weak due to a very low regression weight. Nonetheless, this relationship reiterates the influence of these factors in online buying decisions, and as such, it is imperative that marketers consider them when developing their marketing strategies on the online platforms. A positive, strong correlation was found between consumer buying behaviour and e-WOM and the respective e-WOM factors.

A framework was proposed in the first chapter and SEM was also run to show the causal relationships between variables and to determine the model fit. The model was also tested using RMSEA and CFI to check if it is a good fit. The model fit summary shows

that the values were very close to the acceptable levels and giving enough confidence to explain the relationship between the variables in the dataset.

Results from the SEM analysis failed to reject the following hypothesis:

- There is a significant relationship between benevolence and cognitive trust.
- There is a significant relationship between cognitive trust and trust
- There is a significant relationship between valence and e-WOM.
- There is a significant relationship between e-WOM and consumer buying behaviour.

#### **6.4 REALISATION OF THE STUDY OBJECTIVES**

Objective 1: To establish what e-WOM is and discuss its relationship with the consumer's buying behaviour process.

From the literature, e-WOM can be considered a dynamic, continuous, two-way informal process that allows consumers to exchange marketing information using digital tools through OIM platforms, such that it plays an essential role in influencing consumers' buying behaviour. The literature that has been reviewed and , it has been well-established that e-WOM communications have a positive relationship with consumer behaviour. Several studies examined the relationship between e-WOMs and its effect on purchasing intentions (e.g. Fullerton 2017: 1; Ruiz-Mafe, Chatzipanagiotou and Curras-Perez 2018: 1; Tata, Prashar and Gupta 2019: 2; Bhandari and Rodgers 2017: 139; Netto et al. 2016: 618; Saleem and Ellahi 2017: 620; Hirzianto et al. 2019: 490; Zhao et al. 2020: 29; Oblak et al. 2017: 39; Filieri et al. 2018; Nam et al. 2018: 16; Yan; Kim *et al.* 2018). In all these studies, findings indicated that e-WOM has a positive relationship with consumer buying decisions.

The above findings are also supported in a study conducted by Mihir Joshi and Vinod Kumar Singh (2017: 153) using regression analysis which shows that there is a strong relationship between e-WOM and purchase intention ( $R = 0.675$ ). E-WOM accounts for a 45.5% variance in the purchase intention of consumers. A positive relationship between e-WOM and purchasing behaviour has also been verified by studies (Erkan and Evans



2016: 85; Kim *et al.* 2018: 307). In the case of online shopping, research has discovered that social media exposure to subjective norms can affect attitudes toward purchase (de Lenne and Vandenbosch 2017: 127). Furthermore, studies have shown that the online reviews that consumers read before making a purchase have a strong positive relationship with their consumer buying behaviour (Joshi and Singh 2017: 150). It can be concluded that previous studies have confirmed a positive relationship between e-WOM and buying behaviour. From this review and analysis, it can be concluded that this objective was met.

Objective 2: To establish the influence of e-WOM on the consumers' buying behaviour process.

The literature review highlighted that with the advancement of smart phones, the number of people accessing the internet on smartphones is increasing. E-commerce is also showing a boom. Shopping on the internet has become a common phenomenon in a developing country like South Africa. The consumers online shopping is influenced by the online reviews written by co-consumers. E-WOM communication plays an important role in influencing and forming consumer attitudes and behavioural intentions. e-WOM was found to be more effective than traditional WOM communication (Oblak *et al.* 2017: 39). Generally, consumers use e-WOM during the purchasing process (i.e., collecting information, evaluating alternatives, and selecting the best alternative) and even post purchase when they post their own experience on social media (e.g., Oblak *et al.* 2017: 39). Ismagilova *et al.* (2019: 18) also reiterated e-WOM as an important source of information influencing the consumer decision-making process. The influence of e-WOM on consumers' buying behaviour has grown with the introduction of new technological tools and the growth and popularity of the internet. The empirical findings indicated that participants make use of e-WOM during the buying decision-making process so that they become confident in their purchase. Participants also highlighted that e-WOM influences them during awareness, information search and purchase stages. Thus, it can be concluded that this objective was achieved.

Objective 3: To determine the factors of e-WOM that influences the consumers' buying decision-making process.

While various factors that influence e-WOM during the buying decisions were observed in the review of literature, it was impossible to directly observe all variables in the current study; hence, a few variables were selected. Three e-WOM factors (i.e., trust, volume and valence) were evaluated to determine the factors that influence consumers' buying process. The results of the study show that out of these three, valence is the most influential factor of e-WOM based on the observed highest regression weight, while trust and volume were found to be very weak due to a very low regression weight. The results signify that positive reviews are thought to be more likely to offer pleasant, vivid, and idealised descriptions of the product or service being evaluated. The results are in line with the previous studies that investigated the link between valence of e-WOM and purchase intention. Bigne et al. (2016) and Ismagilova et al. (2019: 18) found that positive online reviews influence intention to purchase. From the same study, volume and trust were found to be non-significant to purchase intention. Thus, this objective was attained.

Objective 4: To propose a framework that explains the influence of e-WOM and establish an e-WOM strategy towards influencing online consumer buying behaviour.

A framework was proposed; hypotheses were formulated, and tested using SEM. From the model, it was found that cognitive trust is mostly explained by the degree to which a trustee is believed to do good for the trustor (benevolence). In this case, the trustee is the online shop, while the trustor is the consumer. Further, cognitive trust was more influential on trust than emotional trust. Nonetheless, trust and volume as e-WOM factors did not have much influence on consumers' buying behaviour as shown by very low regression weights. The results are in line with other previous studies. Ismagilova et al. (2019: 15) indicated that the predictor 'volume' is one of the largely studied variables on intention to buy but appeared as the worst predictor. Valence was found to be the most influential e-WOM factor. Finally, e-WOM has a strong positive relationship with buying behaviour. The model was also tested using RSMEA and CFI and was found to be a good fit. The

model fit summary shows that the values were very close to the acceptable levels, giving enough confidence to explain the relationship between the variables in the dataset.

The empirical findings were used to propose a framework for an e-WOM strategy aimed at influencing online consumer buying behaviour. From the findings, valence was found to be the most influential e-WOM factor; thus, the strategy proposed was centred on e-WOM. It has been discovered that there are three stages of electric-word-of-mouth: creation, exposure, and evaluation. Marketers need to have a solid understanding of each stage in order to devise tactical plans that will increase the likelihood of their brands generating positive e-WOM and make the most of the impact of any favourable reviews or testimonials they receive. More details of the framework are illustrated in Figure 6.1 later in this chapter; therefore, this objective achieved.

## **6.5 LIMITATIONS OF THE STUDY**

Given that the respondents were drawn from KwaZulu-Natal (KZN) province only, the sample size became a limiting factor as other provinces were not surveyed; therefore, the results cannot be generalised to all South Africans since only one province out of nine provinces was investigated. The study only considered the Generation Z and millennials and no other cohorts to determine the influence of e-WOM on consumer behaviour. More research on all provinces, preferably with all generational cohorts who shop online, is essential so that the results can be generalised with greater confidence. Further, because of the quantitative nature of the study, gaining an in-depth understanding of why some e-WOM factors do not affect consumer buying behaviour could not be achieved. Future studies could use a more qualitative approach to build on the existing study to gain a deeper understanding of Generation Z and millennial consumers' perceptions of e-WOM and consumers' buying behaviour. There are a variety of e-WOM factors that impact the decision-making process for consumers. This analysis, however, restricted its studies to three e-WOM variables only. Thus, the results of this study may not give an indication of all the e-WOM variables that influence South African consumers' buying behaviour. These limitations may be addressed in future research.

## **6.6 RECOMMENDATIONS**

Based on the results, the following recommendations have been suggested to positively influence consumer behaviour when they make their online purchases. Marketers must prioritise their focus on the best predictors of e-WOM to improve sales. The findings from this study showed that benevolence influences cognitive trust, and cognitive trust influences e-WOM trust. Nonetheless, e-WOM trust and volume were found not influential to consumer behaviour thus, recommendations will only focus on valence of e-WOM since it influences consumers' buying process. Managers should be advised that their efforts should be directed toward encouraging consumers to spread positive e-WOM communications about product, service and brand.

The three stages of e-WOM are creation, exposure and evaluation. Marketers must understand each stage and devise strategies to boost chances of their brands generating positive e-WOM and take advantage of the influence of any good reviews and testimonials they receive. Each stage will be explained below, and recommendations will be given for each stage.

### **6.6.1 Creation Stage**

The creation stage is when customers share their experiences with a company's' brand online through e-WOM. Although this might seem easy, the company has an important role to play in generating this e-WOM. When consumers buy a product or a service, marketers need to put a plan in place for consumers to share their feedback on OIM.

This could be done in any one of the following ways:

- Send out a follow-up email that encourages happy customers to rate the product or service they have purchased.
- Persuade customers to write a testimonial or Google review, once the deal is finalised.
- Encourage customers to share their product or experience on OIM using a branded hashtag.

The easier it is for customers to leave reviews or post content on OIM, the more likely it will be to generate positive e-WOM.

### **6.6.2 Exposure Stage**

Once the reviews, ratings and testimonials have been received, marketers must find ways to broadcast them to their audience on OIM. Thus, marketers must design digital strategies that include e-WOM. Suggested strategies to use:

- Embed reviews or ratings from consumers onto the company website or e-Commerce store.
- Add a testimonial carousel to the company's website homepage.
- Leverage user-generated content across all OIM channels.

The more visible this e-WOM is to the audience, the bigger impact it will have.

### **6.6.3 Evaluation Stage**

The final stage is evaluation, where potential customers make use of e-WOM and decide whether it is credible and relevant to their purchasing decisions. At this stage, consumers are looking to solve specific problems. They would like to know if the product is reliable and if it is worth spending money on it.

Essentially, to succeed at this stage, marketers should offer their audience opportunities to filter through e-WOM with ease. That means permitting the audience to:

- Sort reviews or testimonials by star ratings (both bad and good) and by specific keywords.
- Reveal more about each reviewer (such as their age, region, or clothing size) to narrow down the results that are most relevant to their possible purchase.
- Verify the legitimacy of reviews by visiting reputable third-party websites that screen potential posters and weed out any untrustworthy sources.

It is also inevitable for a company not to receive negative e-WOM valence. When unfavourable comments are shared on social media, they are potentially visible to the

entire world. Bad word of mouth travels quickly and has a significant impact on people's perceptions of one's brand, but there is nothing that can be done to prevent someone from writing something terrible about a brand online. Nonetheless, one can regain control of a company's reputation by properly responding to bad evaluations. The findings of the study reveal that participants buy products with more positive comments. Thus, marketers must ensure that their OIM platforms have more positive valence. Below are suggested recommendations to address the issue of valence on OIM.

a) Track comments on OIM

Social listening is the first step in resolving a problem and establishing long-term relationships. Regrettably, a dissatisfied consumer will not always speak directly to a firm; therefore, marketers must track all mentions of their brand, branded hashtags, and branded URLs published on social media. Tracking comments ensures that all negative comments will be attended to.

b) Prompt response

When determining target response times, marketers must keep in mind that speed is more important than ever. One thing is constant across the board: prompt responses are becoming the norm within an acceptable turnaround time. A slow response to a sensitive issue, such as an emotionally charged complaint, can make a customer feel ignored and stoke the fires of greater dissatisfaction. When a brand's response is perceived to be comparatively too slow, negative sentiment can soar and expand, in some cases circulating on social media until it reaches other media sources.

c) Reply publicly

There is always a need to respond publicly to a complaint on social media before taking the topic to a private message. The days of one-on-one interaction are over. A company may respond directly to a comment directed at it on social media, but the conversation is still taking place in public. It is indeed critical to respond publicly in order to portray the brand as open, responsive, and helpful. Only after the marketer has completed this first step should they move the conversation into a private message to provide a more detailed answer or to request sensitive information, such as an account number or identifying

information that is required to solve the customer's problem. Negative social media feedback can also represent an opportunity to convert disgruntled customers into brand evangelists.

d) Honesty and transparency

By responding in a helpful and honest manner, brands may take command of the situation. Digital marketers must never give a negative or defensive response. They must also avoid scripted responses and try to connect with their audiences. To assist alleviate a hostile situation, marketers must make sure the client feels heard. Marketers must not be hesitant to apologise for any inconvenience or a less-than-stellar experience.

Most customers understand that employees are human and thus make mistakes. However, how the company handles their mistakes is where the company can boost or hurt its reputation. If there is a problem with a company's products or services, customers must be informed that the company is aware of the problem and is working on a solution. Further, negative comments can help to humanise a company's social media profile. Some users may perceive a constant stream of 5-star reviews as phony, so it is wise to engage with customers sincerely to de-escalate situations and generate goodwill.

e) Encourage sharing feedback

Once issue has been handled, encourage disgruntled consumers to update the negative comment into a positive comment. Nevertheless, marketers ought to encourage positive e-WOM communications without engaging in unethical and deceptive practices. This is because unethical behaviour can lead to a decline in trust among consumers and a negative reaction in the marketplace.

f) Improve product and service quality

Marketers must use negative feedback to improve product and service quality to avoid recurring complaints. If the same complaints are raised all the time, it shows that the company is not willing to improve, thus it will turn away prospective consumers.

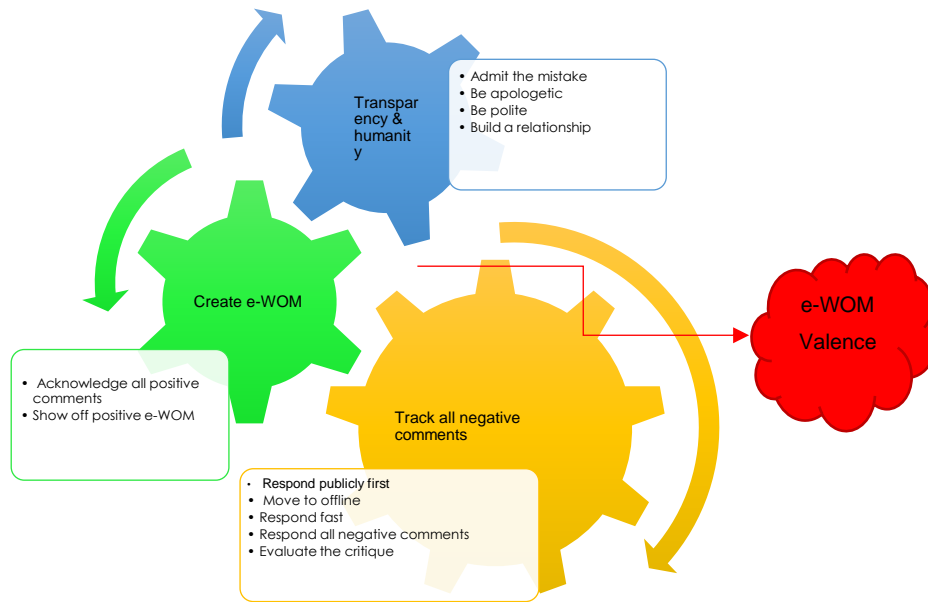
g) Refrain from deleting negative comments.

Responding to social media posts, both compliments and complaints, can build a brand's engagement with its customers, but remarks that cross the line into trolling territory like comments that are racist, sexist, or otherwise aggressively disparaging, ought to be avoided. A note must be included in the 'About' section about what violates the company's online community terms, as well as the fact that the company maintains the right to remove any obscene, discriminating, or improper remarks. Marketers must avoid deleting comments. This can elicit even greater rage, and the number of comments as well as the level of venom are sure to rise. If someone makes a derogatory comment, it can be reported, and certain social media platforms, such as Facebook, allow one to conceal the comment from the public. This function keeps the comment accessible to the user who created it as well as the original poster's friends, reducing the risk of further controversy if a comment is removed from public view.

## **6.7 CONTRIBUTION OF THE STUDY TO NEW KNOWLEDGE**

This study has contributed to the literature and to marketing practice in several ways. The contributions of this study are presented in detail. Firstly, this study has developed the first framework on an e-WOM strategy aimed at influencing online consumer buying behaviour. The framework can be used to advise digital marketers on the best strategy to adopt and implement.





**Figure 6.1: A proposed framework on e-WOM strategy towards influencing online consumer buying behaviour**

Figure 6.1 presents a framework on e-WOM strategy aimed at influencing online consumer behaviour. The framework was conceptualised and developed using the research findings and a literature review. Some customers generate e-WOM on OIM irrespective of whether it is positive or negative. However, it is the mandate of the digital marketer to encourage customers to create positive-WOM. Once a purchase is finalised marketers need to send a reminder to the customer to post a review of the services and products. This must be done for all customers. Once this has been done, the marketer needs to expose the e-WOM to the OIM audience so that other prospective customers can see it. Marketers must make it easy to leave a review on their OIM platforms. The more visible this e-WOM is to the audience, the bigger the impact it will have on consumer behaviour.

In order for marketers to obtain favourable e-WOM valence, they need to ask the appropriate questions from customers before they write reviews. Before companies can begin to ask customers for reviews, they must first determine the kind of feedback that they are looking for. Marketers have a responsibility to have an understanding of the demographics of the target group they wish to attract, the primary concerns that

customers have when making a purchase, and the challenges faced by the industry. By aligning these questions, marketers will be able to obtain testimonies that are valuable and relevant. Understanding what influences consumers' intention to buy will help academics set the agenda for future research directions; for practitioners, it will provide practical guidance based on detailed analysis of specific factors influencing consumers' intention to buy, which could help enhance their marketing activities. This study contributes to the limited amount of knowledge that has been accumulated so far on consumers of the millennial and Generation Z generations in emerging markets. It explains how marketers can take advantage of e-WOM among people of this generation, which should ultimately result in an increase in sales.

#### **6.7.1 Addressing negative e-WOM**

There are times when disgruntled customers post negative e-WOM. This can do more harm than good. Digital marketers need to pay attention to all negative e-WOM using the different apps available to them. It is very important to respond to all negative comments quickly (ideally within 60 minutes). Digital marketers must respond publicly first, then offline to avoid a situation where the customer shares private information online. Once the issue has been solved, the customer must be encouraged to post the outcome on OIM.

Criticism is an opportunity for the brand to develop and improve. Digital marketers must examine any areas of their brand that have been criticised; there may be a problem that needs to be addressed in order to provide a better service or product. If issues are not addressed, customers may be scared away because they will continue to see same complaints on OIM and will conclude that the brand is not ready to improve. Digital marketers must always avoid being defensive or arguing with the reviewer. The key to dealing with these circumstances is to remain calm, agree with the unsatisfied customer, and handle the problem without overstepping boundaries.

The right time to build a lasting relationship with a customer is when the company is solving a problem. Some of my strongest customer relationships began as a result of a company error. When customers realise that the company is acting to make things right

in good faith, they might remove their reviews or write positive follow-ups. The customer can be used to spread positive e-WOM in the future and can result in many prospective customers wanting to buy from that brand.

## **6.8 RECOMMENDATIONS FOR FURTHER RESEARCH**

More information can be gained by undertaking cross-cultural investigations in various countries. Further, while this study looked at only a few variables that influence e-WOM, it is possible that several other factors are also important antecedents of e-WOM. Future researchers can also investigate this. Thirdly, this study focussed on consumer behaviour during online buying in general. Future studies of e-WOM and consumer behaviour could be applied to specific industries such as cell phones, computers, or television sets, where the value of the product is high and consumers would not want to commit before understanding other consumers' experiences. The current study only looked at online consumers; similar work can be done in the context of every consumer, whether they shop online or not.

## **6.9 CONCLUDING REMARKS**

All the research objectives were attained at the completion of the study. Overall, the results of the study either concurred with other studies or, on the other hand, contrasted with their results. The results, thus, present an insight to marketers that they should understand their consumer base as well as different their contexts, and e-WOM factors that influence their buying behaviour. Some of the steps that could be taken to enhance consumer buying behaviour are described in this chapter's recommendations and conclusions. In summary, e-WOM must be viewed as the most valued tool in today's marketing thus, a detailed analysis of its factors and influence of those elements on consumers' buying behaviour is necessary.

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## ANNEXURE 1: QUESTIONNAIRE

DURBAN UNIVERSITY OF TECHNOLOGY  
DEPARTMENT OF MARKETING AND RETAIL MANAGEMENT  
RESEARCH TOPIC: THE INFLUENCE OF ELECTRONIC  
COMMUNICATION ON ONLINE CONSUMER BUYING BEHAVIOUR  
IN SOUTH AFRICA

### SECTION A: DEMOGRAPHICS

Please answer the following questions accordingly:

Generation Z (18 – 26 years)	Millenials (27– 40 years)
Yes	
No	

1. Do you buy online?

Yes	
No	

2. Please indicate your age group:

Male	
Female	

3. Please indicate your gender:

Staff	
Student	

4. What is your status?

**SECTION B:** Please, indicate, on a scale of 1 to 5 your judgement.

**SD** – Strongly Disagree    **D** – Disagree    **N** – Neutral    **A**– Agree    **SA** – Strongly Agree

			1	2	3	4	5
			SD	D	N	A	SA
To establish what is e-WOM and discuss its relationship with the consumer buying behaviour process							
5		I often read other consumers' online product reviews to know what products/brands make good impressions on others					
6		To make sure I buy the right product/ brand, I often read other consumers' online product reviews					
7		I often consult other consumers' online product reviews to help choose the right product/ brand					
8		I frequently gather information from online consumers' product reviews before I buy a certain product/brand					
9		If I don't read consumers' online product reviews when I buy a product/brand, I worry about my decision					
10		When I buy a product/brand, consumers' online product reviews make me confident in purchasing the product/brand					
To establish the influence of e-WOM on the consumer buying behaviour process							
11		e-WOM I read on social media is influential at the need awareness stage during online buying.					
12		e-WOM is influential at the information search stage during online buying.					
13		e-WOM is influential at the evaluation of alternatives stage during online buying.					
14		e-WOM is influential at the purchase stage during online buying.					
15		If given a choice between two products, one recommended on social networking sites from my contacts and the other not, I would always choose to buy the recommended product					
16		I am likely to change my opinion about a product, after viewing a positive or negative comment about that product on social networking sites					
To determine the factors of e-WOM that influences the consumers' buying decision-making process							
17	Trust	When buying online I consider online retailer that offers competent services					
18	Competence	The online retailer is effective in offering high quality services					
19		Proficiency of an online retailer is important to me during buying decision-making process					

20	Benevolence	I consider online retailer that would act in my best interest when making a purchase decision					
21		During buying decision-making process I consider the online retailer that will do its best to help me if I need help.					
21		I consider online retailer that is concerned about my well-being, not just its own when making buying decision.					
23	Integrity	During buying decision-making process I consider whether the online retailer is truthful in its dealings with me.					
24		When making buying decision I consider online retailers that I would characterise as honest/ genuine/ sincere.					
25		I also consider if online retailer keeps its commitments when making a decision to buy.					
26	Emotional Trust	I feel comfortable relying on e-WOM on online interactive media for my buying decision.					
27		I feel content relying on e-WOM on online interactive media for my buying decision.					
28		I feel secure relying on e-WOM during my buying decision-making process					
19		I feel that e-WOM on online interactive media is reliable					
30	Volume	The number of likes and followers on online retailer's page influence my buying decisions process					
31		The number of reactions (likes, retweets) on promotional posts influences my decision-making on online retailers.					
32		The number of reviews on an online retailer's page influences my decision-making process.					
33	Valence	When I read negative reviews on online interactive media about a product, I will still use that product.					
34		When I read negative reviews about a product on online interactive media, it does not affect my decision when acquiring that product					
35		When I read negative reviews about a product on online interactive media, I will think that it is only a minor mistake of the company.					

36		When I read positive reviews about a product on online interactive media, I'll buy that very product.					
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## ANNEXURE 2: GATEKEEPER PERMISSION



*Directorate for Research and Postgraduate Support  
Durban University of Technology  
Tromso Annex, Steve Biko Campus  
P.O. Box 1334, Durban 4000  
Tel.: 031-3732576/7  
Fax: 031-3732946*

1<sup>st</sup> July 2021

Ms Faith Nhundu

c/o Department of Marketing and Retail Management

Faculty of Management Sciences

Durban University of Technology

Dear Ms Nhundu

### **PERMISSION TO CONDUCT RESEARCH AT THE DUT**

Your email correspondence in respect of the above refers. I am pleased to inform you that the Institutional Research and Innovation Committee (IRIC) has granted **Gatekeeper Permission** for you to conduct your research "The influence of electronic word-of-mouth communication on online consumer buying behaviour in South Africa" at the Durban University of Technology. **Kindly note that this letter must be issued to the IREC for approval before you commence data collection.**

The DUT may impose any other condition it deems appropriate in the circumstances having regard to nature and extent of access to and use of information requested.

We would be grateful if a summary of your key research findings would be submitted to the IRIC on completion of your studies.

Kindest regards.

Yours sincerely

---

DR LINDA ZIKHONA LINGANISO

DIRECTOR: RESEARCH AND POSTGRADUATE SUPPORT DIRECTORATE



[www.dut.ac.za](http://www.dut.ac.za)

Ms F Nhundu  
165 Steve Biko Road  
Berea  
4001

The influence of electronic word-of-mouth communication on online consumer buying behavior in South Africa  
Ethics Clearance Number: 127/21

We are pleased to inform you that the data collection tool has been approved. Kindly ensure that participants used for the pilot study are not part of the main study.

Please note that **FULL APPROVAL** is granted to your research proposal. You may proceed with data collection.

Please note that any deviations from the approved proposal require the approval of the IREC as outlined in the IREC SOP's.

Prof J K Adam  
Chairperson: IREC

## ANNEXURE 4: STATISTICIAN CLEARANCE LETTER



Sunday, 27 March 2022

The Chairperson,  
Department of Marketing and Retail Management  
**DURBAN UNIVERSITY OF TECHNOLOGY**

To whom it may concern

### STATISTICAL DATA ANALYSIS

I, the professional (Bio)Statistician, hereby declare that I have carefully studied the research protocol/data collection instrument of **TINONETSANA FAITH** (21132524), project title:

*The Influence of Electronic Word-of-Mouth Communication on Online Consumer Buying Behaviour in South Africa*

and performed all the appropriate statistical data analysis. The student also attended at least one Zoom meeting to discuss the statistical aspects of the protocol related to data cleaning and other necessary data preparations.

Should you require any further details, please feel free to contact us.

Yours Sincerely,

#### **The Analytics Team**

| Biomedical | Surveys | Business Analytics | up to PhD |

(Bio)Statistician: Tina, PhD

Member of the Royal Statistical Society, UK | Engineering Technologist

+27(0)61 006 9432

[statistician@analytics-consultina.com](mailto:statistician@analytics-consultina.com)

[www.analytics-consultina.com](http://www.analytics-consultina.com)





## ANNEXURE 5: LANGUAGE EDITORS' CLEARANCE LETTER

### Sury Bisetty Academic Editing Services

CIPC No. 2021/360666/07



*The pen is mightier than the sword*

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To whom it may concern

I edited a dissertation titled: The influence of electronic word-of-mouth communication on online consumer buying behaviour in South Africa by Faith Tinonetsana, student number: 21143524, submitted in partial fulfilment for the requirements of the degree of Doctor of Philosophy in Management Sciences Specialising in Marketing at the Durban University of Technology.

*SBisetty*  
*Professional Language and Technical Editor*  
*09 December 2022*

---

#### CONTACT DETAILS

Email: [surybisetty11@gmail.com](mailto:surybisetty11@gmail.com)

Cell no: 0844932878

Tel.: 031 7622 766

#### MEMBER OF:

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#### CERTIFICATION:

PEGSA: Critical Reading

Editing Mastery: How to Edit to Perfection

Complete writing, editing master class.

ELSEVIER – Editor's guide to reviewing articles

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Disclaimer: Please note, I provided language and technical editing as per discussion with the client. The **content and structure** of the paper were not amended in any way. The edited work described here may not be identical to that submitted. The author, at his/her sole discretion, has the prerogative to accept, delete, or change amendments/suggestions made by the editor before submission.

NB – in keeping with POPIA regulations all work related to this thesis will be deleted 3 months after completion.

## ANNEXURE 6: TURNITIN REPORT

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## ANNEXURE 7: FLATTEN CORRELATION MATRIX



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