

Usage of “E-WOM” as a Marketing Tool in the Social Media Space

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Article Info

Volume 83

Page Number: 1835 - 1840

Publication Issue:

March - April 2020

Abstract

The purpose of this study is to provide an insight on the usage of Electronic Word-of-Mouth communication as a marketing tool in the social media space for developing long term relationships with consumers and enhance the business sustainability for the future. The data was collected from the users of Social Networking sites, by using questionnaire method. Multiple regression method was used to examine the causal relationship. This paper highlights the significance of Social Exchange and Capital dimensions in eWOM communication and the usage of eWOM communication to influence the consumer's buying behaviour process. From the findings it is revealed that Social Exchange and Capital dimensions significantly influence eWOM communication and has a positively influence on the consumer buying behaviour. The present study would provide marketers with valuable information to establish their long-term relationship with consumers in Social Networking sites and use beneficial eWOM to promote their products or services for business sustainability.

Article History

Article Received: 24 July 2019

Revised: 12 September 2019

Accepted: 15 February 2020

Publication: 16 March 2020

Keywords: *Electronic Word-of-Mouth, Social Networking Sites, Social Capital, Social Exchange, Consumer Buying Behaviour.*

I. INTRODUCTION:

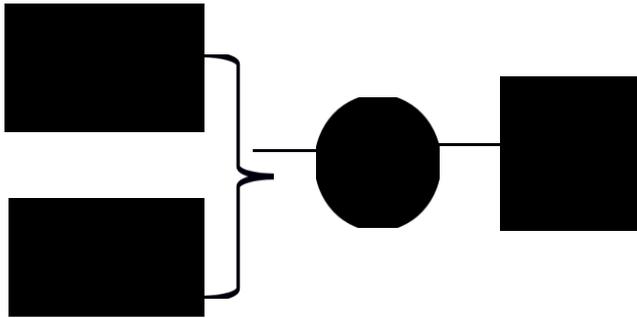
The advent of the Social media has opened a new platform for individual expression and this has been the most powerful tool in the hands of the public. From a mere chatting platform social media has attained an overwhelming influence on the people to the extent of creating revolutions. The retail Companies have eyed upon the Social media platforms like Facebook Instagram, Twitter, LinkedIn etc. to market and reach their products to the consumers. The conventional media has almost lost its impact on the consumers and social media is the new channel to their

minds. Since the advancement of information technology and the emergence of online social networking sites, the Electronic Word-of-Mouth eWOM has been recognized as one of the most influential resources for information transmission. According to Hennig-Thurau, Qwinner, Walsh and Gremler (2004), the Electronic Word-of-Mouth is defined as “Any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet”

This study would endeavour to highlight the significance of Social Exchange (SE) and
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Social Capital (SC) dimensions in eWOM communication and the usage of eWOM communication to influence the Consumer's Buying Behaviour (CBB) process.

FIG:1 MODEL OF THE STUDY



II. REVIEW OF LITERATURE:

Hossain.M., Jahan.N., Fang.Y., & Hoque.S. (2019) examined how Electronic Word-of-Mouth (eWOM) communication through Facebook is influenced by Social Exchange dimensions (Reciprocity and Reputation), Social Capital dimensions (Tie Strength and Trust), and Service Quality dimensions (Outcome Service Quality, Interaction Service Quality and Environment Service Quality). The data collected through the online survey with pre-tested and self-administered questionnaire. The Structural equational Model was used to observe the hypothetical relationships. The study reveals that the four key antecedents viz, Reciprocity, Tie Strength, Trust and Interactional Service Quality significantly and positively influence eWOM Communication from a Social Capital and Exchange perceptiveness.

Ismagilova. E., Slade, E.L., Rana, N.P., & Dwivedi, Y.K. (2019) highlighted on the effect of Electronic Word-of-Mouth communication on the intention to Buy. This study was conducted by synthesizing the result from 69 earlier studies by employing weight and Meta-Analysis to reconcile conflicting evidence and drew a Big picture of

eWOM factors influencing consumers' intention to buy. From the study they identified the Best factors were, eWOM usefulness, Valence, Argument quality trust in message, Promising factors were eWOM Credibility, Emotional Trust, Attitude towards Website and Least Effective factors were Volume, Existing eWOM, Source credibility predictors of intention to buy in eWOM Communication.

Farzin.M., & Fattahi. M. (2018) built a theoretical framework which provides both practical and theoretic perceptions of consumers usage of Social Networking sites (SNSs) as an Electronic Word-of Mouth (eWOM) tool and identified the impact on Brand Image and Purchase Intention. They analysed the study based on Social Psychology and Marketing Literature. The data was collected from the students of the Islamic Azad University and SEM technique was used to test the effect of eWOM antecedents on consumer eWOM intention and to identify the impact of eWOM on Brand Image consumer and Purchase Intention. The results revealed that there is a positive influence on Consumer Trust, Sense of Belonging, Altruism, Informational influence, Moral Obligation and Knowledge Self-efficacy for consumer engagement in eWOM. The results further indicated that e-WOM in turn, played a significant role in shaping Brand Image in the mind of consumers and their Purchase Intention.

III.OBJECTIVES:

- To study the significance of Social Exchange and Capital dimensions in eWOM Communication.
- To study the usage of eWOM communication to influence the consumer's buying behaviour process.

IV.METHODOLOGY:

In order to achieve an in-depth understanding of usage of e-WOM as a Marketing tool in the Social Media Space. Convenience sampling method was

used to collect data. In this study both primary and secondary data was used in order to meet the requirements of the research. The Structured Questionnaire were used to collect the Primary data. The Questionnaire referring to demographic factors, Social Exchange dimensions, Social Capital dimensions, e-WOM and Consumer Buying Behaviour of the respondents. The Social Exchange dimensions were analysed with factors Reciprocity and Reputation and Social Capital dimensions were analysed with factors Tie strength and Trust. The Likert Five-point scale were used to measure the responses, ranging from “Strongly Agree” to “Strongly Disagree”. The total sample size measured was 172. The

secondary data was collected from relevant journals, websites for literature review. An effort has been made to determine the relationship between Social Exchange, Social Capital dimensions and e-WOM on Consumer Buying behaviour. The statistical analysis was made using SPSS and the tool used were Multiple regression and Percentage Method.

**V. DATA ANALYSIS:
DEMOGRAPHIC INFORMATION:**

Respondents’ Distribution Based on the Age, Gender, Education and Usage of Social Networking sites of the respondents.

TABLE 1a: Age, Gender & Education of the Respondents

Particulars		Frequency	Percentage
Gender	Male	56	32.6
	Female	116	67.4
Age	Below 25 Years	76	44.2
	26-35 Years	32	18.6
	36-45 Years	36	20.9
	Above 45 Years	28	16.3
Education qualification	School Level	13	7.6
	Under Graduate	27	15.7
	Post Graduate	84	48.8
	Professional	36	20.9
	Others	12	7.0

Source: Primary data

The above table shows that the most of the respondents were Female (67.4%) and under the Age group of below 25 years (44.2%). With regard to Education Qualification most of the respondents were Post graduates (48.8%).

TABLE 1b: Usage of Social Networking Sites of the Respondents

	Facebook		Instagram		Twitter		Whatsapp		Linkedin	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
An account but	36	20.9	20	11.6	36	20.9	4	2.3	47	27.3

use it only in case of need										
An account but use it rarely	60	34.9	48	27.9	68	39.5	12	7.0	49	28.5
An account and use it frequently	40	23.3	52	30.2	20	11.6	92	53.5	32	18.6
An account and use it on a daily basis	8	4.7	16	9.3	4	2.3	64	37.2	-	-
I don't have it and also not interested	28	16.3	36	20.9	44	25.6	-	-	44	25.6

Source: Primary data

The above table shows that most of the respondents have “an account and frequently use” Instagram and WhatsApp. However, it is inferred that the respondents who have an account in Facebook, Twitter & LinkedIn use them rarely for the purpose of collecting information regarding product and services.

In order to satisfy the objectives, the Multiple Regression analysis was undertaken. An effort has been made to determine the relationship between Social Exchange and Social Capital dimensions on eWOM and the influence of eWOM on Consumer buying behaviour. The variables considered for Social Exchange dimensions were “Reciprocity and Reputation” and for analysing Social Capital dimensions, variables were “Tie strength and Trust”. Thus, Social Exchange and Social Capital dimensions are taken as the Independent variable and the eWOM is considered as the Dependent variable. To study the Influence of eWOM on Consumer Buying Behaviour, eWOM is taken as the Independent variable and Consumer Buying Behaviour is considered as the Dependent Variable. The respondents were asked to self-evaluate their level of agreement with respect to the above-mentioned variables on a Likert Five-Point scale.

Table 2: Model Summary of SE and SC on eWOM

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.741	.550	.544	1.84304

Source: Primary data

Model summary results show that about 74.1% (R square=.741)of the variance in the dependent variable (Electronic Word-of-Mouth) are explained by Independent variable Social Exchange and Social Capital.

Table 3: ANOVA Results of eWOM

Model	Sum of Square	df	Mean Square	F	Sig .
1 Regression	701.107	2	350.553	103.202	.000
Residual	574.056	169	3.397		
Total	1275.163	171			

Source: Primary data

The F-ratio in the Anova table tests whether the independent variables namely SE and SC predict the dependent variable, eWOM. The table show that the p value is less than 0.05 (p=0.000). Hence, the Independent variables statistically predict the Dependent variable.

Table 4: Coefficients of eWOM

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.373	.573		4.141	.000
SE	.233	.030	.507	7.833	.000
SC	.174	.036	.316	4.890	.000

Source: Primary data

The “Sig” column from the above table exhibits that Social Exchange and Social Capital (p=0.000) are statistically significantly and predicts the dependent variable Electronic Word-of-Mouth.

Table 5: Model Summary of eWOM on CBB

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.628	.394	.390	3.66976

Source: Primary data

Model summary results show that about 62.8 % (R square=.628) of the variance in the dependent variable (Consumer Buying Behaviour) are explained by Independent variable Electronic Word-of Mouth.

Table 6: ANOVA Results of CBB

Model	Sum of Squares	df	Mean Square	F	Sig
1 Regression	1488.628	1	1488.628	110.538	.000
Residual	2289.418	17	134.672		

Total	3778.047	17	1		
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Source: Primary data

The F-ratio in the Anova table tests whether the independent variables namely e-WOM predict the dependent variable, CBB. The table show that the p value is less than 0.05 (p=0.000). Hence, independent variables statistically significantly predict the dependent variable.

Table 7: Coefficients of CBB

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig
	B	Std. Error	Beta		
1 (Constant)	17.085	1.058		16.145	.000
eWOM	1.080	.103	.628	10.514	.000

Source: Primary data

The “Sig” column from the above table exhibits that Electronic word-of-mouth(p=0.000) are statistically significantly and predicts the dependent variable Consumer Buying Behaviour.

CONCLUSION:

The conventional one to one communication has also been fundamental tool in communication channel to improve mutual trust and strengthen ties for mutual benefit in order to enhance reciprocity and reputation of individual ideas. eWOM has been a pivotal communication marketing tool in the social networking platform to attribute and enhance face-to-face conversations for promoting product and service for a sustainable business development. The educated youth today depend upon the social networking platform for their personal and business development. The social networking

platform reduces the barriers of distance, space and time involved in the interpersonal communication. The inference from the above study has revealed that Social exchange and social capital significantly influence the Electronic Word-of-Mouth. The reviews which culminate in the one to one communication channel create a positive vibe to enhance the reliability and is seen to greatly influence the purchase strategies of today's tech-savvy consumer. The above study further reiterates the fact that Electronic Word-of-Mouth significantly influence the Consumer Buying Behaviour.

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