International Journal of Multidisciplinary Trends

Dr. M Bhuvaneswari
Professor, Department of Management Sciences, Hindusthan College of Engineering and Technology, Coimbatore, Tamil Nadu, India

Dr. S Kamalasaravanan
Professor, Department of Management Sciences, Hindusthan College of Engineering and Technology, Coimbatore, Tamil Nadu, India

V Kanimozhi
Assistant Professor, Department of Management Sciences, Hindusthan College of Engineering and Technology, Coimbatore, Tamil Nadu, India

Dr. M Yegammai
Professor, Hindusthan School of Management, Hindusthan College of Arts and Science, Coimbatore, Tamil Nadu, India

A study on impact of electronic word of mouth on consumers purchase decision

Dr. M Bhuvaneswari, Dr. S Kamalasaravanan, V Kanimozhi and Dr. M Yegammai

Abstract
An objective of this research is to determine the word of mouth effects on consumers buying decision negative or positive. The collected data is primary and it was collected from different areas of Kannur city of Kerala from students of colleges, universities and households. For this study, Sample size is one hundred and ten and Descriptive research is followed in the research. The statistical tools used in the study are Percentage analysis, ANOVA, Chi square and multiple regression. In conclusion, it is revealed that for purchasing mostly consumer trust on word of mouth. The respondents seem like to have an impact on consumers' decision and close family, close friend, and other associates. More result shows two things can be the reason to create difficulties for the company such as a bitter experience of any product/service and any comments (word of mouth especially negative) because negative word of mouth or any negative comments about anything influence strongly than positive.

Keywords: electronic word, mouth, consumers purchase decision, ANOVA

Introduction
In this virtual dominated world, electronic word of mouth is an important concept to make our purchases. The days are gone where a customer had a relaxed time to go and purchased various products and services. In this quick world and IT enriched situation there is no need to go the actual place and getting the things. For this, an effective mechanism is ewom (electronic world of mouth) which is given in the way of reviews, ratings, stars etc. Based on this the study determines the effect of electronic word of mouth in social media and to gain knowledge on electronic word of mouth communication research. The study identifies the factors influencing the effectiveness of eWOM on the consumers purchasing decision. The study analyses how fast the social media bought changes in entrepreneur and marketing method from traditional to technology change.

Statement of the problem
This study describes online interpersonal influence or electronic word of mouth because it plays a significant role in consumer purchase decision. The study determines the effect of electronic word of mouth in social media. This study identifies factors influencing the effectiveness on the consumers purchasing decision. The study analyses how fast the social media bought changes in entrepreneur and marketing method from traditional to technology change. E-WOM is trending in today's society due to the high influence of digitalization. It affects the purchase of a product in both positive and negative ways. Nowadays most of the consumers purchase a product after checking the E-WOM which includes reviews, ratings, etc. As electronic goods are sold more online it is essential to study on how E-WOM influence purchase intention of consumer durable electronic goods.

Objectives
- To study about the impact of electronic word of mouth on consumer's purchase decision.
- To analyze and determine the effect of electronic word of mouth towards social media.
- To identify factors influencing, the effectiveness of EWOM message on the consumer's purchase decision.

Research Methodology
A descriptive research design was used in the study to identify Ewom measures.

Corresponding Author:
Dr. M Bhuvaneswari
Professor, Department of Management Sciences, Hindusthan College of Engineering and Technology, Coimbatore, Tamil Nadu, India

The sample size of 110 customers was chosen for the study and primary research is done with an extensive detailed questionnaire in Kannur area in Kerala. The study is analyzed with the tools frequency, cross tabulation and chi-square and anova.

Review of Literature

Gobinda Roy, Biplab Datta, Rituparna Basu's study of Effect of eWOM valence on Retail stores, in the year 2017 has highlighted the popularity of online shopping and their popularity among younger generation in India. The increasing number of shoppers visit online retailers website and readers review as a guiding tools for their purchase. The study on 205 online retailers have analyzed the effects of various eWOM antecedents on online sales by considering the effects of positive and mixed-natural valence stimuli on sales. The antecedents they have highlighted are role of market level factors, like price, online sales security factors like antivirus software. The elaboration likelihood model explains the relative importance of factors influencing customer's purchase decision and sales. The results showed a new insightful perspective of eWOM valence and price on sales, and provided various other research directions

Charu Sijoria, Srabanti Mukherjee, Biplab Datta 2018 has presented a paper on "Impact of the antecedents of eWOM on Consumer based brand equity (CBBE). They have analyzed a critical analysis 93 research articles and identified eight antecedents as the prime factors eWOM including information or argument quality, loyalty, social relationship, source quality, satisfaction, subjective norms, and information quantity. From their exhaustive reviews, they have found that these eight factors act a mediator in as in CBBE.

Mohamed E. Abd-Elaziz Wael M. Aziz Gamal S. A. Khalifa Magdy Abdel Aleem Ma'youf 2019 in their research argued that eWOM are more influential than the traditional advertising and gives a potential impact in the era of internet. They have done the study in the hospitality industry with 500 hotel customers in Sharm-elshikh as one of the touristic destinations in Egypt. The tool they have used in the study is a 36-item questionnaire with 10 dimensions, which is validated with Likert scale. Through the study, they have revealed that there is relationship between receiver characteristics and EWOM influence. With respect to the study in hotels, the customers mostly depend on source credibility, valence, and volume of information obtained form eWOM. It also depends on the type of websites and the product they search is playing a major role in their decisions.

Yi-Wen Fan* and Yi-Feng Miao in their "Effect Of Electronic Word-Of-Mouth On Consumer Purchase Intention: The Perspective Of Gender Differences" focuses on the cultural effects of gender and purchasing decisions in e-commerce virtual communities. From the study, it has identified that social factors, personal factors and cultural factors have a major influence in accepting the eWOM. The study comprised of 116 customers comprising both male and female respondents and the tool used was elaboration likelihood model (ELM). The study showed that female customers show a higher credibility than the male customers do.

Table 1: Analysis Demographic Variables

Age		
Under 20	77	70.0
20-25	29	26.4
26-30	4	3.6
Total	110	100
Gender		
Gender	**Frequency**	Percent
male	29	26.4
female	81	73.6
Total	110	100.0
Educational Qualification		
Higher secondary	3	2.7
Bachelor degree	33	30.0
Diploma	55	50.0
Master's degree	19	17.3
Total	110	100
Occupation		
Self employed	7	6.4
Private sector	37	33.6
Government	10	9.1
Student	53	48.2
Others	3	2.7
Total	110	100.0
Average Income		
Below 10000	61	55.5
10000-30000	30	27.3
30000-50000	17	15.5
50000 or more	2	1.8
Total	110	100.0

Source: Primary data

Table 2: Information distributed by ewom and its opinion

Sl. No	Particulars	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
		F	P	F	P	F	P	F	P	F	P
1	Consistency of reviews	45	40.9	34	30.9	14	13	13	11.8	4	3.6
2	Purchase decision	12	10.9	33	30	50	45.4	9	8.1	6	5.4
3	Ratings of the product	27	24.5	54	49	21	19	5	4.5	3	2.7
4	Paying extra for a product	11	10	40	36.3	49	44.5	6	5.4	4	3.6
5	Recommendation through ewom	5	4.5	50	45.5	50	45.5	4	3.6	1	.9
6.	Negative word of mouth for a good quality product	7	6.4	50	45.5	45	40.9	7	6.4	1	.9
7.	EWOM provide enough information about the product	9	8.2	55	50.0	40	36.4	6	5.5	0	0

Source: Primary data

A cross tabulation is done on the seven variables like consistency on review, purchase decision, ratings, paying extra for the product, recommendation, negative word of mouth and information. In this majority falls in the category of strongly agree 45 with 40.9%, neutral 50 with 45.4%, agree 54 with 49%, neutral 50 with 44.9%, 50 and 50 of

45.5% with agree and neural, agree 50 with 45.5%, agree 55 with 50% respectively.

Chi square test
Chi-Square Tests for age and reviews
Null hypothesis Ho: there is no significant relationship between age and read reviews before purchase

Table 3: Chi square test

Age	Particulars	Do you read reviews before purchase		Total
		Yes	no	
Age	Under 20	76	1	77
	20-25	29	0	29
	26-30	3	1	4
Total		108	2	110

Table 4: Chi-square test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.695ᵃ	2	.002
Likelihood Ratio	4.819	2	.090
Linear-by-Linear Association	3.004	1	.083
N of Valid Cases	110		

Source: Primary data

Interpretation
P value is .002, which is less than 0.05 hence null hypothesis is rejected. Hence, there is a significant relationship between the age and purchase intention.

Chi-square test for age and purchase decision
Null Hypothesis Ho: There is no significant relationship between the gender and purchase intention.

Table 5: Chi-square test for age and purchase decision

Age	Particulars	Do you read reviews before purchase		Total
		Yes	no	
Age	Under 20	67	10	77
	20-25	23	6	29
	26-30	3	1	4
Total		93	17	110

Table 6: Chi-square test

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.246ᵃ	2	.536
Likelihood Ratio	1.179	2	.554
Linear-by-Linear Association	1.213	1	.271
N of Valid Cases	110		

Source: Primary data

Interpretation
P value is .536 which is greater than 0.05. Hence, null hypothesis is accepted and there is no significant relationship between the gender and purchase intention

Anova
A statistical analysis tool that separates the total variability found within a data set into two components: random and systematic factors. The random factors do not have any statistical influence on the given data set, while the systematic factors do. The ANOVA test is used to determine the impact independent variables have on the dependent variable in a regression analysis.

Null hypothesis Ho: there is no significant difference in the most popular topics of conversation in EWOM among different age group of respondents.

Table 7: Most popular topics of conversation when it comes to EWOM ANOVA

Particulars	Anova	Sum of Squares	df	Mean Square	F	Sig.
What category do you belive to be the most popular topics of conversation when it comes to EWOM?(media and entertainment)	Between Groups	.200	2	.100	.270	.764
	Within Groups	39.519	107	.369		
	Total	39.718	109			
What category do you belive to be the most popular topics of conversation when it comes to EWOM?(food and beverage)	Between Groups	1.587	2	.793	1.519	.224
	Within Groups	55.877	107	.522		
	Total	57.464	109			
What category do you belive to be the most popular topics of conversation when it comes to EWOM?(beauty and personal care)	Between Groups	1.274	2	.637	1.147	.322
	Within Groups	59.417	107	.555		
	Total	60.691	109			
What category do you belive to be the most popular topics of conversation when it comes to EWOM?(health and healthcare)	Between Groups	2.873	2	1.436	2.091	.129
	Within Groups	73.500	107	.687		
	Total	76.373	109			
What category do you belive to be the most popular topics of conversation when it comes to EWOM?(travel service)	Between Groups	1.960	2	.980	1.412	.248
	Within Groups	74.258	107	.694		
	Total	76.218	109			

Source: Primary data

Table 8: Interpretation

Particulars	P-value	Ho Accepted /Rejected	Explanation
Media and entertainment	.764	Accepted	There is no significant difference in age groups
Food and beverage	.224	Accepted	There is no significant difference in age groups
Beauty and personal care	.322	Accepted	There is no significant difference in age groups
Health and healthcare	.129	Accepted	There is no significant difference in age groups
Travel service	.248	Accepted	There is no significant difference in age groups

Table 9: Factors Influencing Purchase Decision

Particulars	Anova	Sum of Squares	df	Mean Square	F	Sig.
Which of these factors that influence purchase decision?(price)	Between Groups	.962	2	.481	1.038	.358
	Within Groups	49.593	107	.463		
	Total	50.555	109			
Which of these factors that influence purchase decision?(quality)	Between Groups	.460	2	.230	.408	.666
	Within Groups	60.304	107	.564		
	Total	60.764	109			
Which of these factors that influence purchase decision?(discounts)	Between Groups	1.228	2	.614	1.153	.320
	Within Groups	56.963	107	.532		
	Total	58.191	109			
Which of these factors that influence purchase decision?(doorstep delivery)	Between Groups	1.278	2	.639	1.000	.371
	Within Groups	68.395	107	.639		
	Total	69.673	109			
Which of these factors that influence purchase decision?(time saving)	Between Groups	1.006	2	.503	.683	.508
	Within Groups	78.849	107	.737		
	Total	79.855	109			
Which of these factors that influence purchase decision?(brand name)	Between Groups	1.631	2	.815	1.233	.295
	Within Groups	70.742	107	.661		
	Total	72.373	109			
Which of these factors that influence purchase decision?(returnability)	Between Groups	.567	2	.284	.332	.718
	Within Groups	91.287	107	.853		
	Total	91.855	109			

Source: Primary data

Table 10: Interpretation

Particulars	P-value	Ho Accepted /Rejected	Explanation
Price	.358	Accepted	There is no significant difference in age groups
Quality	.666	Accepted	There is no significant difference in age groups
Discounts	.320	Accepted	There is no significant difference in age groups
Doorstep delivery	.371	Accepted	There is no significant difference in age groups
Saving of time	.508	Accepted	There is no significant difference in age groups
Brand name	.295	Accepted	There is no significant difference in age groups
Return ability	.718	Accepted	There is no significant difference in age groups

Findings
- Majority (70%) of the respondents belong to the age group of less than 20 years.
- Majority of the respondents (73.6%) of respondents are females
- Majority (50%) of the respondents educational qualification is diploma,
- Majority (48.2%) of the respondents are students
- Majority (34.5%) of the respondents internet usage in a week is between 11-20 hrs
- Majority (83.1%) of the respondents purchase decision is based on the reviews and influenced by social media
- Majority (45.5%) of the respondents both agree and neutral that recommendation made through EWOM are reliable
- Most (45.5%) of the respondents agree that the discount factor will influence purchase decision

Suggestions
- As trends and consumer preferences are constantly changing, the study for the relationship between ewom and purchase intention should be ongoing in order to guarantee up-to-date results.
- Social media is coming more and more relevant for younger generations, thus the significance of visual--based reviews in social media may be increasing.
- Before purchasing any expensive or luxury item consumers must carry out survey from word of mouth.

Conclusion
From the study, it could be concluded that always positive eWOM play an important role in creating a favorable image of the company and its brand, increasing customers' purchase intentions, and reducing promotional expenditures. Therefore, the organization must understand consumer opinions influence other consumers, and they should be aware about the potential of this phenomenon, and should try to communicate, and/or influence, this kind of communication. In the Indian context, where numbers of internet users and online shoppers are growing rapidly, and it is recommended that marketers should pay attention to eWOM as a significant marketing tool that influences brand image, competitiveness, and long-term success.

References
1. Awad NF, Ragowsky A. "Establishing trust in electronic commerce though online word of mouth: An examination across genders," Journal of Management Information Systems. 2008;24(2):101-121.
2. Bansal HS, Voyer PA. "Word-of-mouth processes within a services purchase decision context," Journal of service Research. 2000;3(2):166-177.
3. Riegner C. "Word of mouth on the web: The impact of Web 2.0 on consumer purchase decisions", Journal of Advertising Research. 2007;47(4):436.
4. Mohamed E Abd-Elaziz, Wael M, Aziz Gamal SA, Khalifa Magdy Abdel Aleem Ma'youf. "Determinants of Electronic word of mouth (EWOM) influence on hotel customers' purchasing decision" Journal of

Faculty of Tourism and Hotels, Fayoum University. 2015;9(2/2):223-228.
5. Gobinda Roy, Biplab Datta, Rituparna Basu. "Effect of eWOM Valence on Online Retail Sales" Global Business Review, 18(1), ISSN: 0972-1509, 198-209.
6. Charu Sijoria, Srabanti Mukherjee, Biplab Datta. "Impact of the antecedents of eWOM on CBBE", Marketing Intelligence & Planning, 36(5), 528-542. ISSN: 1446-8956
7. Yi-Wen Fan, Yi-Feng Miao. "Effect of electronic word-of-mouth on consumer purchase intention: the perspective of gender differences", International Journal of Electronic Business Management. 2012;10(3):175-181.
8. Smith D, Menon S, Sivakumar K. "Online peer and editorial recommendations, trust, and choice in virtual markets," Journal of Interactive Markrting. 2005;19(3):15-37.
9. Sussman SW, Siegel WS. "Informational influence in organizations: An integrated approach to knowledge adoption inform. Systems Research. 2003;14(1):47-65.